

Impact of budget sequestration on health care discussed

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(HealthDay)—The impact of sequestration will have far-reaching consequences in health care, according to a perspective piece published online March 20 in the *New England Journal of Medicine*.

John E. McDonough, D.P.H., M.P.A., from the Harvard School of Public Health in Boston, examined the potential impact of sequestration which would result in cuts to most federal agencies and programs in order to reduce the budget deficit for 2013.

The author notes that the proposed annual \$42.667 billion in nondefense cuts will not fall on all health-related government programs equally: specific programs such as Medicare will have a 2 percent cut, while other programs such as Medicaid are exempt. The decrease in funding to Medicare will be achieved via cuts to hospital, physician, and other

[health care provider](#) payments, and to insurers participating in Medicare Advantage. This is happening at a time when Medicare is starting to implement the savings and cuts required by the [Affordable Care Act](#) (ACA). The National Institutes of Health has to incorporate an 8.2 percent across-the-board cut, equivalent to \$1.55 billion, for the rest of 2013, which is likely to delay or halt certain scientific projects. The U.S. [Centers for Disease Control and Prevention](#) expects an 8 to 10 percent cut, which will result in fewer [HIV tests](#), fewer vaccinations, elimination of tuberculosis programs in 11 states, and closure of the National Healthcare Safety Network. Most expenses associated with the ACA are protected from the proposed cuts.

"In my view, the damage that the sequester process will inflict on vital health care functions at all levels is unnecessary and unfortunate," McDonough writes.

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