

**COALITION FOR HEALTH FUNDING**  
**Submitted Testimony**  
**Senate Subcommittee on Labor, Health and Human Services and Education**  
**Appropriations**

**March 31, 2005**

The Coalition for Health Funding is pleased to provide the Subcommittee with testimony recommending FY '06 funding levels for the agencies and programs of the U.S. Public Health Service. Since 1970, the Coalition's member organizations, representing 40 million health care professionals, researchers, lay volunteers, patients and families, have been advocating for sufficient resources for PHS agencies and programs to meet the changing health challenges confronting the American people. The Coalition for Health Funding is the nation's oldest, most broadly based alliance focused on the breadth of discretionary health spending. One of the important principles that unites the Coalition's members is that the health needs of the nation's population must be addressed by strong, sustained support for a continuum of activities that includes biomedical, behavioral and health services research; community-based disease prevention and health promotion; health care services for vulnerable and medically underserved populations; ensuring a safe and effective food and drug supply; and education of a health professions workforce in adequate numbers to address the breadth of need.

The Coalition for Health Funding believes the Bush Administration, and Congress, are missing an important opportunity to improve the health of all Americans by not making a stronger investment in the agencies and programs of the U.S. Public Health Service. Federal spending for public health is low compared to other health spending, amounting to three percent of total health care spending according to the Centers for Medicare and Medicaid, and yet an investment in public health has the potential to slow unsustainable growth in mandatory costs, reduce lost productivity at work, school and home, and strengthen every citizen's contribution for a healthy, economically strong America. Mounting evidence-based studies ([www.thecommunityguide.org](http://www.thecommunityguide.org); [www.aspe.hhs.gov/health/prevention/prevention.pdf](http://www.aspe.hhs.gov/health/prevention/prevention.pdf); [www.modelprograms.samhsa.gov](http://www.modelprograms.samhsa.gov)) demonstrating the effectiveness of prevention, early intervention, access to basic health care services and associated cost-savings support investing in public health programs and activities. Instead, over the past two fiscal years we have seen an erosion of resources, beginning with the budget phase, with flat-funding, or cuts in funding, effected for many programs during the Committee phase of the appropriations process followed by across-the-board cuts in the omnibus bills for all health programs. The President's FY 2006 budget request takes these reductions considerably further by proposing to cut funding for the seven major public health agencies by \$1.1 billion below FY 2005 levels, a cut of 2.2 percent as the accompanying table shows.

The Coalition for Health Funding urges the Subcommittee on Labor, Health and Human Services and Education to reject the President's proposal to reduce the nation's investment in public health and instead join 425 health organizations that, in letter dated February 1, 2005, urged the President and Congress to make an investment in public health of \$3.5 billion over FY 2005 levels. As that letter states:

“The health of all Americans is at risk from an unprecedented range of threats, including: chronic diseases and disabilities, infectious and food borne illnesses, biological and chemical terrorism, mental disorders and substance abuse, catastrophic injuries, and a shortage of healthcare providers and trained public health workers.

Our nation's public health system will not be able to respond adequately to these threats without additional resources for the continuum of medical research, prevention, treatment and training programs. We urge you to increase discretionary funding for public health through the Function 550 budget allocation in Fiscal Year 2006 by \$3.5 billion. This investment is critical to improving the health, safety and security of our nation."

The following is a partial list of the Coalition's FY 2006 recommendations for specific U.S. Public Health Service agencies. The Coalition developed these recommendations working with eight other health coalitions with a more targeted focus on one agency, or major activities within a particular agency. The table that follows provides the Coalition's recommendations for all the major public health agencies.

### **National Institutes of Health (NIH)**

The Coalition supports \$30.1 billion in FY '06 for the National Institutes of Health, a 6 percent increase over the FY '05 funding level, to provide sufficient resources to sustain the momentum of the recently completed campaign to double the nation's investment in the promising research supported and conducted by the NIH. The President's request to provide \$28.6 billion, or a .5 percent increase over FY '05, is inadequate to fully reap the research opportunities that the doubling campaign have made available. NIH is engaging the next generation of biomedical research to integrate and aggregate basic research, computational capabilities, and clinical evidence into new cures. Transforming America's health for the 21<sup>st</sup> century will require a longstanding commitment from our country and its leaders. The pace and intensity of this transformation is critical. Health improvements will only be possible if the medical research enterprise runs smoothly. Recent discoveries NIH supported research has made possible include: lifestyle intervention can reduce the onset of Type II diabetes as occurred in 58 percent of those at risk in a recent trial; islet cell transplantation has reduced the need for insulin for 250 individuals with juvenile diabetes; low-cost diuretics are as effective as newer, costlier drugs in lowering high blood pressure that affects one in four Americans, potentially saving money and enhancing compliance; newer antidepressant medications are more targeted to specific brain function resulting in fewer side effects and enhanced compliance; great advances in understanding the genetic factors in Alzheimer's Disease holds promise for treatment for the growing number of Americans afflicted with this devastating disease; new vaccines have been developed against Haemophilus influenzae type b, pneumococcal disease, Hepatitis A and B and a new Ebola vaccine is currently in trial.

Scientific discoveries are the result of a series of incremental steps that pave the way for future breakthroughs. This process needs sustained support. A funding increase of only .5 percent will delay important initiatives leading to earlier, more targeted diagnoses; more targeted, effective treatment options; and more comprehensive, cost-effective prevention strategies.

### **Centers for Disease Control and Prevention (CDC)**

The Coalition for Health Funding recommends an overall funding level of \$8.65 billion for CDC in FY '06. This amount is \$616 million more than the FY '05 funding level and \$1.1 billion more the President's request for FY '06. The Coalition believes this is the amount needed to enable CDC to carry out its vital mission of disease prevention and health promotion.

The Coalition opposes the President's request to cut \$130 million from State and Local Preparedness grants and shift the funds to the Strategic National Stockpile (SNS) to purchase vaccines and terrorism countermeasures and fund a new \$50 million Mass Casualty Initiative. Any SNS

purchases and new federal terrorism initiatives, if deemed warranted, should be funded from new resources and not at the expense of State and Local Preparedness. State and Local health departments are in the third year of expanded funding for terrorism preparedness. The effect of a 14 percent cut will seriously jeopardize momentum in addressing critical capacity needs. Funding should be restored, at least, to FY '05 levels and the commitment to rebuilding the nation's neglected public health infrastructure resumed and sustained.

The Coalition also opposes the proposed elimination of funding for the Preventive Health and Health Services Block Grant. This funding provides the only source of flexible funding to state health departments to help them meet Healthy People 2010 goals. The funding is often used in innovative ways which complement, not duplicate, other disease-specific categorical programs. It is also the only source of funding for many states to monitor well-contamination in poor rural areas. And it helps states cope with unexpected challenges such as emerging infectious diseases like West Nile Virus and the health consequences of disasters. Taken together, the proposed cut in the State and Local Bioterrorism grant program coupled with the elimination of the Preventive Block Grant seriously undermines funding for building State and Local public health capacity, a major Congressional goal expressed in legislation the year before (P.L. 106-505) and the year after (P.L. 107-188) the attacks of September 11, 2001.

The Coalition is displeased that most of the rest of the programs and activities conducted by the CDC are proposed for flat funding in the President's budget. This is especially egregious for chronic disease programs at a time when the nation faces an epidemic of obesity and the ensuing increase in diabetes, heart disease, kidney disease, cancer, arthritis and other costly diseases. There should be a major national investment in finding ways to address this problem. The VERB program, eliminated in the President's budget, provides a model for reaching young adolescents; it should be replicated.

Similarly, there is insufficient funding provided for infectious disease programs, most of which are flat-funded. The U.S. is still only partially prepared for diseases such as West Nile virus and pandemic flu, and has not committed funds to combat antimicrobial resistance commensurate with the scope and severity this problem presents in the U.S. There are 40,000 new HIV infections each year which means the U.S. burden of HIV/AIDS is growing, not stagnant. The President's budget request does include increases for the National Immunization Program (+\$50 million), but the Coalition supports an increase of \$282 million in order to meet the national goal of vaccinating 90 percent of children and adults.

Finally, the Coalition is, overall, deeply disappointed that the President's budget request cuts funding for the CDC, the nation's leading disease prevention/health promotion agency, by more than 6 percent, instead of investing in this agency's potential for saving health care costs.

### **Health Resources and Services Administration (HRSA)**

The Coalition for Health Funding recommends an overall funding level of \$7.5 billion for HRSA in FY '06. This amount is \$691 million, or 10 percent, more than the FY '05 funding level, and is \$1.5 billion more than the President's request. This is the amount that the Coalition believes is needed to provide adequate resources for the important programs that HRSA administers that address access to needed medical and health care services for medically underserved populations.

The Coalition is pleased that the President has requested a significant 17 percent increase for Community Health Centers (CHC) for a total of \$2.038 billion. These centers provide basic health

care services for those who are medically underserved in both rural and inner city communities across the nation. With the number of uninsured rising, CHCs are more important than ever.

There are many other areas in the HRSA budget that the President proposes to cut deeply that the Coalition opposes. Chief among these is the elimination of the Title VII Health Professions Education programs. These programs are beginning to document formally what their supporters have long known: that they have a solid track record in recruiting and training the kind of health professionals that practice in, and stay in, medically underserved areas. Graduates of these programs are 3-10 times more likely to practice in underserved areas and are 2-5 times more likely to be minorities. The Title VII programs also have a solid track record in training needed health professionals in short supply including pharmacists, allied health professionals, dentists, a range of public health practitioners, psychologists, and physician assistants. These shortages will become worse as increasing numbers of the nation's healthcare workforce begin to retire and the babyboom generation requires increased care as it ages.

The Coalition also opposes the elimination of five other programs: Community Access Program, an innovative program of coordinated service delivery to the uninsured that does not duplicate other available programs; the Trauma-EMS program which fosters statewide trauma system development to provide appropriate emergency response for seriously injured individuals – an important terrorism readiness component; the Children's EMS program which builds appropriate emergency response capacity for children; the Traumatic Brain Injury program which helps brain-injured individuals become successful community participants; the universal newborn screening program which ensures that all states screen infants for a core set of screening tests for genetic, metabolic, hormonal, or functional conditions many of which can be treated if detected and disability averted. The Coalition also opposes the \$115 million cut to a number of rural programs, and the \$101 million cut to the Children's Hospitals Graduate Medical Education program.

Also disturbing is the proposed level funding for many other programs. This includes the Nursing Education programs despite considerable documentation of the nursing shortage crisis. It also includes the Ryan White CARE Act programs at a time when the U.S. is experiencing 40,000 new HIV infections per year. The President's request for Ryan White programs, when compared to FY '05 levels, provides level funding for all titles except for the AIDS Drug Assistance Program which receives a \$10 million increase – not enough to eliminate waiting lists for the life-saving drugs. The Maternal and Child Health Block Grant is a critical safety net program for poor women and special needs children. Flat-funding actually cuts services at a time when there is an upsurge in the number of families needing TANF assistance. Family Planning services, which support 4,600 clinics across the U.S. that provide comprehensive services including screening for cancer, HIV, and other diseases as well as contraception and teen pregnancy prevention, are another critical safety net service that needs increased resources.

Overall, the President proposes to cut existing HRSA programs by \$838 million, or over 12 percent, at a time when the numbers of uninsured individuals and families is rising and they are turning to federally funded programs for assistance and care.

### **Substance Abuse and Mental Health Services Administration**

The Coalition for Health Funding recommends an overall funding level of \$3.5 billion for SAMHSA in FY '06. This amount is \$262 million, or 8 percent, more than the FY '05 funding level, and \$316 million more than the President's budget request, which includes a 54 million cut for SAMHSA programs.

The Coalition is pleased that, for the third year, the President requests an increase for substance abuse treatment, although substantially less at \$25 million than the last two years. However, once again, the increase comes at the expense of prevention which is slated for a \$15 million cut. Substance abuse is a significant and very costly national problem involving an estimated 21.6 million Americans – over 9 percent of the population – and needs investment in both treatment and prevention. SAMHSA has developed a set of evidence-based model prevention programs that community-based organizations need help in implementing. On the treatment side, of the 1 million Americans who express a need for substance abuse treatment in a regularly conducted household survey, 273,000 (26 percent) report they made an effort to obtain treatment, but were unable to do so. Clearly, a stronger investment – which the President has championed – needs to be made to provide treatment when it is sought.

The Coalition is very disappointed that the President’s budget cuts mental health program funding at SAMHSA by \$64 million. There is no additional investment made in response to the findings and recommendations of the President’s New Freedom Commission on Mental Health, the first such commission in over 25 years. The Commission advised the President that youth with mental and emotional problems face enormous access barriers and that an alarming 80 percent of youth in juvenile detention facilities have mental disorders. Yet the President’s budget cuts the Jail Diversion program in half and the successful Youth Violence Prevention program by \$27 million. These cuts should not be accepted in the aftermath of the Red Lake school massacre in Minnesota.

The Coalition sincerely appreciates this opportunity to provide its FY ‘06 funding recommendations to the Subcommittee for the agencies and programs of the U.S. Public Health Service. The Coalition’s recommendations for all of the public health agencies are provided in the accompanying table. The Coalition, and its member organizations, look forward to working with the Subcommittee in the weeks ahead to improve the health of all Americans.

**COALITION FOR HEALTH FUNDING 2006 RECOMMENDATIONS**  
*(In Millions of Dollars)*

AGENCY	FY '05	PRES. REQUEST FY '06	\$ PRES. REQUEST FY 06-FY 05	% PRES. REQUEST FY 06-FY 05	CHF REC. FY '06	\$ DIFF. CHF REC. FY '06-FY '05	% DIFF. CHF REC. FY'06-FY '05
NIH*	\$ 28,444	\$ 28,590	+ \$ 146	+ .5%	\$ 30,150	+\$ 1,706	+ 6%
CDC**	\$ 8,034	\$ 7,543	- \$ 491	- 6.1%	\$ 8,650	+\$ 616	+ 7.7%
HRSA*	\$ 6,809	\$ 5,972	- \$ 837	- 12.3%	\$ 7,500	+\$ 691	+ 10 %
SAMHSA*	\$ 3,269	\$ 3,215	- \$ 54	- 1.6%	\$ 3,531	+\$ 262	+ 8%
AHRQ	\$ 319	\$ 319	--	--	\$ 443	+\$ 124	+ 38%
FDA*	\$ 1,450	\$ 1,500	+\$ 50	+ 3.4%	\$ 1,566	+\$ 116	+ 8%
IHS*	\$ 2,985	\$ 3,048	+\$ 63	+ 2.1%	\$ 3,218	+\$ 232	+ 7.8%
<b>TOTALS</b>	\$ 51,310	\$ 50,187	- \$ 1,123	- 2.2%	\$ 55,058	+\$ 3,747	+ 6.8%

\*Reflects Total Budget Authority  
\*\* Reflects Total Program Level

