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**Coalition for Health Funding**

Washington, DC

House Labor, Health and Human Services, Education and Related  
Agencies Appropriations Subcommittee

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10:00 a.m.

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Summary: This testimony offered on behalf of the Coalition for Health Funding recommends an \$8.7 billion increase over FY 2010 for agencies and programs of the U.S. Public Health Service under the subcommittee's jurisdiction, including the National Institutes of Health, Centers for Disease Control and Prevention, Health Resources and Services Administration, Substance Abuse and Mental Health Services Administration, and the Agency for Healthcare Research and Quality. Since 1970, the Coalition for Health Funding has advocated for sufficient and sustained discretionary funding for the public health continuum to meet the mounting and evolving health challenges confronting the American people.

On behalf of the Coalition for Health Funding, I am pleased provide the Labor, Health and Human Services, Education and Related Agencies Appropriations Subcommittee with a statement for the record on FY 2011 funding levels for the agencies and programs of the U.S. Public Health Service (PHS). Since 1970, the Coalition for Health Funding has advocated for sufficient and sustained discretionary funding for the public health continuum to meet the mounting and evolving health challenges confronting the American people.

Our diverse membership—representing the interests of over 50 million patients, providers, researchers, and public health professionals—supports the belief that the PHS agencies and programs are essential for improving health and health care through greater access, higher quality, lower costs, improved safety, faster cures, and ultimately, healthier people. Investment in the public health continuum will show dividends through biomedical, behavioral and health services research, community based prevention strategies, basic and targeted health services for the medically underserved, and safety and surveillance. The Coalition also supports education and training of a range of health and public health professionals to ensure we have an adequate workforce to meet the health needs of Americans. These include not only primary care physicians, but nurses, dentists, mental health professionals, public health professionals, physician assistants, and other allied health professionals.

The Coalition's pressing and immediate goal is to build the capacity of our public health system to support the implementation of the Patient Protection and Affordable Care Act and address America's mounting health needs under the weight of an ongoing recession, an aging population, a health workforce shortage, and persisting declines in health status. Given current fiscal challenges, the Coalition for Health Funding appreciates the funding increases proposed in the President's FY 2011 budget for public health programs that prevent and cure disease, promote well-being, support the disabled, regulate food and drugs, and provide safety net access to a range of health and behavioral health services for millions of Americans who lack health insurance. In addition, we are grateful to Congress for the mandatory funding stream for public health now provided through health reform to augment discretionary funding for the existing public health infrastructure and to bolster select prevention and wellness programs.

We hope Congress will seize the opportunity to increase momentum for health system transformation by further investing in the public health continuum, building on previous discretionary investments in the PHS and making capacity created by the American Recovery and Reinvestment Act (ARRA) permanent. We also hope Congress will resist the urge to look to the mandatory funding for public health provided in the Patient Protection and Affordable Care Act as a means to supplant current discretionary public health funding, as this mandatory investment was intended to augment the existing infrastructure and strengthen targeted programs.

The public health infrastructure has experienced significant erosion over the past several years, despite its important role in keeping Americans healthy, productive, and secure. The fragility of the public health infrastructure is discussed in a recent report by Trust for America's Health and the Robert Wood Johnson Foundation. Federal spending for public health has been flat for nearly five years, and states around the country have cut more than \$392 million for public health

programs in just the past year. These shortfalls have left communities around the country struggling to deliver basic disease prevention and emergency health preparedness services.<sup>i</sup>

Federal discretionary investment in the PHS represents a fraction of our nation's health care spending—just two percent in 2008 based on expenditure data from the Centers for Medicare and Medicaid Services—even though the public health continuum 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. Medicare represents possibly the best example of a lost opportunity to save lives and money through investment in the public health continuum. A study published recently in *Health Affairs* finds that the causes of Medicare spending growth have changed dramatically in two decades, where Medicare's skyrocketing costs are now mostly attributable to the treatment of preventable chronic conditions such as diabetes, arthritis, hypertension, and kidney disease—conditions that could have been prevented with a more serious investment in public health.<sup>ii</sup>

Congress has made historic strides toward comprehensive health system change—which begins, not ends, with the enactment of the Patient Protection and Affordable Care Act. As the administration undertakes the Herculean task of implementing this new law, the PHS and its myriad programs will be essential to achieving the law's goals of improved health and health care. Without significant and sustained discretionary funding in FY 2011 and beyond, the PHS will lack the capacity to deliver on the law's promises of improved health care quality, availability, and affordability. Only with a significant investment in the public health infrastructure can we build capacity to transform our health system from one that reacts when people are sick to one that proactively keeps people healthy. That's the best way to truly bend the cost curve.

The Coalition for Health Funding urges the Subcommittee to invest in the public health continuum and join 300 health organizations and five former Surgeon Generals that, in a letter dated March 17, urged Congress to invest in the PHS. As that letter states:

“The FY 2011 budget provides an opportunity to increase momentum for health reform... With sustained and stable investment, the public health continuum will keep America healthy and ‘bend the cost curve’ by preventing costly chronic diseases, stemming the cause of disability, including behavioral and developmental disorders, identifying the most effective treatments, discovering new therapies and cures, developing a robust health workforce, and protecting our food and drug supply.”

The following list summarizes the Coalition for Health Funding's FY 2011 funding recommendations for agencies of the PHS under the Subcommittee's jurisdiction. The Coalition developed these recommendations through a consensus process with other health coalitions that advocate for specific agencies.

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

The Coalition supports \$35 billion in FY 2011 for the National Institutes of Health, a 12 percent increase over FY 2010 funding level and a 9 percent increase over the President's FY 2011 request. This request would make permanent NIH's current research capacity, which includes

ARRA dollars, allowing the nation to seize the opportunity to build on the tremendous momentum emerging from this strategic investment. NIH invested ARRA funds in a range of potentially revolutionary new avenues of research that will lead to new early screenings and treatments for disease. Moreover, this investment is directly sparking economic revitalization in hundreds of communities through funding local universities, small businesses, and research institutions, and it remains vital to the nation's long-term competitiveness in a key economic sector.

At a time when more than half of the top growing occupations are health care or research related, we should make the new NIH research capacity permanent, ensuring that the nation does not shelve emerging discoveries, dismantle labs, and discourage new scientists at this crucial time, and instead builds on current progress to further help the American public.

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

The Coalition for Health Funding recommends a level of \$8.8 billion for CDC's core programs in FY 2011, a 36 percent increase over FY 2010 and a 39 percent increase over the President's FY 2011 request. This amount reflects the professional judgment budget of former CDC Director Julie Gerberding and is representative of what CDC needs to fulfill its core mission in FY 2011; activities and programs that are essential to protect the health of the American people. CDC is faced with unprecedented challenges and responsibilities, ranging from bioterrorism preparedness to helping the nation prepare for the impacts of climate change. CDC funds myriad programs in: injury control and violence prevention; health promotion, nutrition and chronic disease prevention; oral health; maternal and child health; antimicrobial resistance and infectious diseases; and health data collection. It is notable that more than 70 percent of CDC's budget supports states and local health organizations, which rely on CDC funding now more than ever as they grapple with increased demands for services and declining state and local resources due to the ongoing recession.

The Coalition is disappointed the President proposes to cut more than \$130 million from CDC's budget in FY 2011 despite the critical importance of CDC's programs in promoting prevention and wellness, a key priority of this Administration. This erosion of investment is particularly troubling when chronic diseases continue to rise and drive health care costs upward and the public health infrastructure that will support the goals of health reform is crumbling and facing significant job losses after years of neglect. We must make up the lost ground and fully fund CDC's core public health programs at a time when the threats to public health are so great.

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

The Coalition for Health Funding recommends an overall funding level of \$9.15 billion for HRSA in FY 2011, a 22 percent increase over FY 2010 and the President's FY 2011 request. Through its programs in every state and thousands of communities across the country, HRSA is a national leader in providing health services for individuals and families, serving as a health safety net for the medically underserved. Relatively level funding over the past several years has hindered the growth of HRSA's successful programs, and a more significant investment is needed for the agency to achieve its mission: ensuring access to culturally competent, quality health services; eliminating health disparities; and rebuilding the public health and health care infrastructure.

As the administration implements health reform, the Coalition believes \$9.15 billion is needed for HRSA to build the foundation for improved health service delivery, to expand the health care workforce, to smoothly transition vulnerable populations to a new health system, and to continue to the nation's safety net programs.

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

The Coalition for Health Funding recommends an overall funding level of \$3.932 billion for SAMHSA in FY 2011, a 15 percent increase over FY 2010 and an 11 percent increase over the President' FY 2011 request. An October 6 national survey shows that the economic downturn is taking a toll on the mental health of Americans. Individuals who are unemployed are four times as likely as those with jobs to report symptoms consistent with severe mental illness. Americans who experienced involuntary changes in their employment status, such as pay cuts or reduced hours, also are twice as likely to have these symptoms, even though they are employed full time. And SAMHSA reports that calls into the Suicide Hotline averaged nearly 50,000 calls a month in 2009—a substantial increase from previous years.

As you know, this population is already vulnerable. For example, a 2006 report indicated that persons with serious mental illness die, on average, 25 years earlier than the general population, and we know that the suicide rate of approximately 33,000 persons a year is nearly twice the number of homicides per year.

### **Agency for Healthcare Research and Quality**

The Coalition for Health Funding recommends an overall funding level of \$611 million for AHRQ in FY 2011, consistent with the President's FY 2011 request. AHRQ supports research to improve health care quality, reduce costs, advance patient safety, decrease medical errors, and broaden access to essential services. The President's FY 2011 request will allow AHRQ to generate more and better evidence to help make a measurable difference in health care for all Americans, strengthening its critical health care safety, quality, and efficiency initiatives.

The Coalition for Health Funding appreciates this opportunity to provide its FY 2011 funding recommendations for the PHS and looks forward to working with the Subcommittee in the coming weeks and months.

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<sup>i</sup> Trust for America's Health, *Shortchanging America's Health: A State-by-State Look at How Public Health Dollars Are Spent*, March 2010. Available online at: <http://healthyamericans.org/report/74/federal-spending-2010>.

<sup>ii</sup> Thorpe, K.E., et al. "Chronic Conditions Account for Rise in Medicare Spending from 1987-2006." *Health Affairs*, Vol. 29, No. 4, Feb. 18, 2010, pp. 718-724. Available online at <http://content.healthaffairs.org/cgi/content/abstract/hlthaff.2009.0474>.