



DEPARTMENT OF HEALTH AND HUMAN SERVICES

The Department of Health and Human Services (HHS) works to enhance the health and well-being of Americans by providing effective health and human services and by fostering sound, sustained advances in the sciences underlying medicine, public health, and social services. The Budget supports the core mission of HHS through the most efficient and effective health and human service programs. In 2018, HHS funds the highest priorities, such as: health services through community health centers, Ryan White HIV/AIDS providers, and the Indian Health Service; early care and education; and medical products review and innovation. In addition, it funds urgent public health issues, such as prescription drug overdose, and program integrity for Medicare and Medicaid. The Budget eliminates programs that are duplicative or have limited impact on public health and well-being. The Budget allows HHS to continue to support priority activities that reflect a new and sustainable approach to long-term fiscal stability across the Federal Government.

The President's 2018 Budget requests \$69.0 billion for HHS, a \$15.1 billion or 17.9 percent decrease from the 2017 annualized CR level. This funding level excludes certain mandatory spending changes but includes additional funds for program integrity and implementing the 21st Century CURES Act.

The President's 2018 Budget:

- Supports direct health care services, such as those delivered by community health centers, Ryan White HIV/AIDS providers, and the Indian Health Service. These safety net providers deliver critical health care services to low-income and vulnerable populations.
- Strengthens the integrity and sustainability of Medicare and Medicaid by investing in activities to prevent fraud, waste, and abuse and promote high quality and efficient health care. Additional funding for the Health Care Fraud and Abuse Control (HCFAC) program has allowed the Centers for Medicare & Medicaid Services in recent years to shift away from a “pay-and-chase” model toward identifying and preventing fraudulent or improper payments from being paid in the first place. The return on investment for the HCFAC account was \$5 returned for every \$1 expended from 2014-2016. The Budget proposes HCFAC discretionary funding of \$751 million in 2018, which is \$70 million higher than the 2017 annualized CR level.
- Supports efficient operations for Medicare, Medicaid, and the Children's Health Insurance Program and focuses spending on the highest priority activities necessary to effectively operate these programs.

- Supports substance abuse treatment services for the millions of Americans struggling with substance abuse disorders. The opioid epidemic, which took more than 33,000 lives in calendar year 2015, has a devastating effect on America's families and communities. In addition to funding Substance Abuse and Mental Health Services Administration substance abuse treatment activities, the Budget also includes a \$500 million increase above 2016 enacted levels to expand opioid misuse prevention efforts and to increase access to treatment and recovery services to help Americans who are misusing opioids get the help they need.
- Recalibrates Food and Drug Administration (FDA) medical product user fees to over \$2 billion in 2018, approximately \$1 billion over the 2017 annualized CR level, and replaces the need for new budget authority to cover pre-market review costs. To complement the increase in medical product user fees, the Budget includes a package of administrative actions designed to achieve regulatory efficiency and speed the development of safe and effective medical products. In a constrained budget environment, industries that benefit from FDA's approval can and should pay for their share.
- Reduces the National Institutes of Health's (NIH) spending relative to the 2017 annualized CR level by \$5.8 billion to \$25.9 billion. The Budget includes a major reorganization of NIH's Institutes and Centers to help focus resources on the highest priority research and training activities, including: eliminating the Fogarty International Center; consolidating the Agency for Healthcare Research and Quality within NIH; and other consolidations and structural changes across NIH organizations and activities. The Budget also reduces administrative costs and rebalance Federal contributions to research funding.
- Reforms key public health, emergency preparedness, and prevention programs. For example, the Budget restructures similar HHS preparedness grants to reduce overlap and administrative costs and directs resources to States with the greatest need. The Budget also creates a new Federal Emergency Response Fund to rapidly respond to public health outbreaks, such as Zika Virus Disease. The Budget also reforms the Centers for Disease Control and Prevention through a new \$500 million block grant to increase State flexibility and focus on the leading public health challenges specific to each State.
- Invests in mental health activities that are awarded to high-performing entities and focus on high priority areas, such as suicide prevention, serious mental illness, and children's mental health.
- Eliminates \$403 million in health professions and nursing training programs, which lack evidence that they significantly improve the Nation's health workforce. The Budget continues to fund health workforce activities that provide scholarships and loan repayments in exchange for service in areas of the United States where there is a shortage of health professionals.
- Eliminates the discretionary programs within the Office of Community Services, including the Low Income Home Energy Assistance Program (LIHEAP) and the Community Services Block Grant (CSBG), a savings of \$4.2 billion from the 2017 annualized CR level. Compared to other income support programs that serve similar populations, LIHEAP is a lower-impact program and is unable to demonstrate strong performance outcomes. CSBG funds services that are duplicative of other Federal programs, such as emergency food assistance and employment services, and is also a limited-impact program.