

ONE HUNDRED FIFTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
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**MEMORANDUM**

**February 14, 2018**

**To: Subcommittee on Health Democratic Members and Staff**  
**Fr: Committee on Energy and Commerce Democratic Staff**  
**Re: Hearing on “Oversight of the Department of Health and Human Services”**

On Thursday, February 15th, at 12:30 p.m., in Room 2123 of the Rayburn House Office Building, the subcommittee will hold a hearing entitled “Oversight of the Department of Health and Human Services.” Background information on a number of, but not all, proposals included in the budget appears below. For more specifics, please see the [Fiscal Year 2019 Budget in Brief](#).

**I. THE PRESIDENT’S BUDGET REQUEST FOR FISCAL YEAR 2019**

The President’s Fiscal Year 2019 budget for the Department of Health and Human Services (HHS) proposes large cuts to Medicaid, Medicare, public health services, life-saving research programs, and once again calls for “repeal and replace” of the Affordable Care Act (ACA).

**II. CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS)**

**A. Medicare**

The budget cuts \$493.7 billion over 10 years from the Medicare program, including large cuts to safety-net hospitals, post-acute facilities, and home health agencies and cost-shifting to Medicare beneficiaries.

**B. Medicaid**

The budget cuts \$1.4 trillion over 10 years from the Medicaid program, the single largest insurer of children in the United States and the largest payer of behavioral health. The

President's budget proposal would impose a permanent cap on Medicaid funds, limit drug coverage for Medicaid beneficiaries, and implement barriers to coverage for low-income families, including copayments and other changes that states could institute. The budget also proposes prohibiting certain reproductive health care providers from receiving Federal funds, including through Title X and the Medicaid program.

### **C. Affordable Care Act**

The budget repeals the ACA, replaces it with an inadequate block grant, and cuts a net \$675 billion over 10 years from the budget. Repealing the ACA would take healthcare away from millions of Americans, raise costs for working families and older Americans, and jeopardize protections for people with preexisting conditions.

## **III. CENTERS FOR DISEASE CONTROL AND PREVENTION (CDC)**

The budget cuts more than \$1 billion from core CDC programs in FY 2019, weakening our public health infrastructure. Specifically it cuts almost \$140 million from chronic disease prevention and health promotion programs, \$60 million from the emerging and zoonotic infectious diseases program, and eliminates the National Institute of Occupational Safety and Health (NIOSH) at CDC, and instead consolidates it into a new Institute at NIH that receives less funding than NIOSH currently receives. The budget also transfers the Strategic National Stockpile from CDC and places it under the control of the Assistant Secretary for Preparedness and Response.

## **IV. SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION (SAMHSA)**

The budget limits access to mental health and substance abuse services at SAMHSA by cutting more than \$112 million from mental health programs of regional and national significance (PRNS), more than \$101 million from substance abuse prevention PRNS, and \$97 million from substance abuse treatment PRNS in FY 2019.

## **V. HEALTH RESOURCES AND SERVICES ADMINISTRATION (HRSA)**

The budget cuts more than \$900 million from core Health Resources and Services Administration programs in FY 2019, including cutting \$145 million from the Nursing Workforce Development Program, \$43 million from the Ryan White HIV/AIDS Program, and \$8 million from grants programs to improve and expand access to telehealth services in rural settings. It also eliminates funding for Title VII workforce development programs, including programs for primary care, oral health, and public health and preventive medicine.

## **VI. OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH INFORMATION TECHNOLOGY (ONC)**

The budget cuts \$22 million from the Office of the National Coordinator for Health Information Technology (ONC) in FY 2019, a more than one-third reduction in the agency's budget.

**VII. WITNESSES**

**The Honorable Alex Azar**  
Secretary  
U.S. Department of Health and Human Services