



DEPARTMENT OF HEALTH AND HUMAN SERVICES

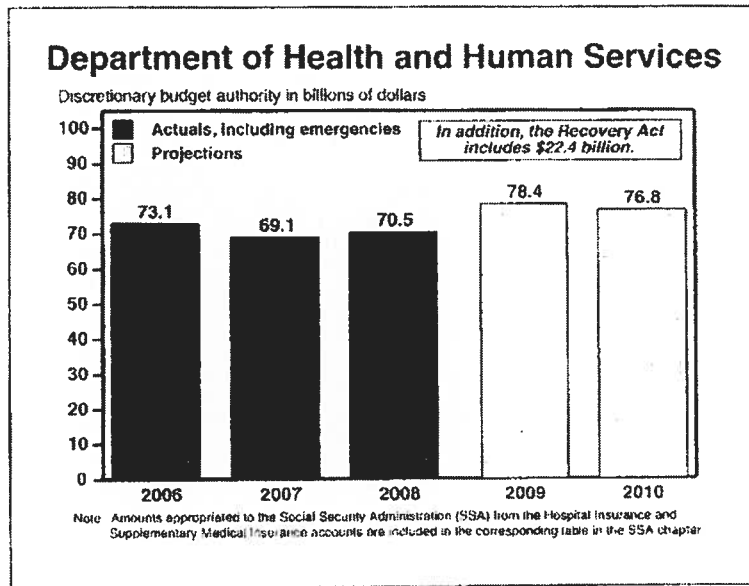
Funding Highlights:

- Accelerates the adoption of health information technology and utilization of electronic health records.
- Expands research comparing the effectiveness of medical treatments to give patients and physicians better information on what works best.
- Invests over \$6 billion for cancer research at the National Institutes of Health as part of the Administration's multi-year commitment to double cancer research funding.
- Strengthens the Indian health system with sustained investments in health care services for American Indians and Alaska Natives to address persistent health disparities and foster healthy Indian communities.
- Invests \$330 million to increase the number of doctors, nurses, and dentists practicing in areas of the country experiencing shortages of health professionals.
- Supports families by providing additional funding for affordable, high-quality child care, expanding Early Head Start and Head Start, and creating the Nurse Home Visitation program to support first-time mothers.
- Strengthens the Medicare program by encouraging high quality and efficient care, and improving program integrity.
- Invests over \$1 billion for Food and Drug Administration food safety efforts to increase and improve inspections, domestic surveillance, laboratory capacity and domestic response to prevent and control foodborne illness.

The Department of Health and Human Services (HHS) is the Federal Government's principal agency for protecting the health of all Americans and for providing essential human services. This Budget provides \$76.8 billion in support of HHS' mission.

Makes a Down Payment on Health Care Reform. The Budget establishes a reserve fund of more than \$630 billion over 10 years to finance fundamental reform of our health care system

that will bring down costs and expand coverage. The reserve is funded half by new revenue and half by savings proposals that promote efficiency and accountability, align incentives toward quality, and encourage shared responsibility. In addition, the Budget calls for an effort beyond this down payment, to put the Nation on a path to health insurance coverage for all Americans. However, additional funding will be needed. This effort must be open, and must consider all kinds of approaches as part of this process. Some major



strides have already been made in the American Recovery and Reinvestment Act of 2009, including \$19 billion for health information technology, \$1 billion for comparative effectiveness research, and subsidies for the newly unemployed to maintain their health insurance. These initiatives put the Nation on the path toward fundamental health reform.

Begin the Doubling of Funding for Cancer Research. The Budget includes over \$6 billion within the National Institutes of Health (NIH) to support cancer research. This funding is central to the President's sustained, multi-year plan to double cancer research. These resources will be committed strategically to have the greatest impact on developing innovative diagnostics, treatments, and cures for cancer. This initiative will build upon the unprecedented \$10 billion provided in the Recovery Act, which will support new NIH research in 2009 and 2010.

Accelerates the Adoption of Health Information Technology (IT). Building on the historic \$19 billion investment in the Recovery Act, the Administration will continue efforts to further the adoption and implementation of health IT—an essential tool to modernize the health care system. The Recovery Act offers physi-

cians and hospitals participating in the Medicare program temporary incentive payments starting in 2011 for using a certified electronic health record (EHR), followed by financial penalties starting in 2015 for failure to use such a system. It also offers incentive payments to Medicaid providers, including physicians and children's hospitals, to assist with the purchase, implementation, and use of certified EHR technology. These incentives, coupled with other activities authorized in the Recovery Act, are expected to result in a dramatic increase in the percentage of health care providers using health IT within five years. Computerizing health records—while protecting the privacy and security of personal health information—is expected to facilitate improvements in the quality of health care, prevention of unnecessary health care spending, and a reduction in medical errors.

Lowers Drug Costs and Improves Food and Medical Product Safety. The Budget supports the Food and Drug Administration's (FDA's) new efforts to allow Americans to buy safe and effective drugs from other countries and to establish a new regulatory pathway to approve generic biologics. The Budget also includes a substantial increase to strengthen FDA's efforts to make food and medical products safer.

Strengthens Program Integrity. Reducing fraud, waste, and abuse is an important part of restraining spending growth and providing quality health care service delivery to beneficiaries. The Budget proposes to dedicate additional resources that will initially be targeted to improving oversight and program integrity activities for the Medicare Prescription Drug Program (Part D), Medicare Advantage, and the Medicaid Program. These resources will enable the Centers for Medicare and Medicaid Services to more rapidly respond to emerging program integrity vulnerabilities, identify excessive payments, and establish new processes for correcting problems. As a result, the Administration will be better able to minimize inappropriate payments, close loopholes, and provide greater value for program expenditures to beneficiaries and taxpayers.

Improves Medicare's Sustainability. The Administration is committed to strengthening Medicare's long-term sustainability so that beneficiaries can continue to rely on this critical program. The Budget strengthens the Medicare program by encouraging high quality and efficient care, and reducing excessive Medicare payments.

Expands the Medicare and Medicaid Research Agenda. The Budget includes new funding to broaden the Medicare and Medicaid research agenda. The expanded agenda will take advantage of the robust data available for these programs. New Medicare and Medicaid demonstration and pilot projects will evaluate payment reforms, ways to provide higher quality care at lower costs, improve beneficiary education and understanding of benefits offered, and better align provider payments with costs.

Provides Health Care Coverage to Low-Income Individuals. Medicaid is a means-tested health care entitlement program financed by States and the Federal Government. On average, the Federal Government pays 57 percent of Medicaid costs. The Recovery Act protects health care coverage for millions of Americans during the recession by temporarily increasing Federal Medicaid funding to help States facing budget shortfalls maintain their current programs.

In addition, the Children's Health Insurance Program Reauthorization Act of 2009, signed by the President on February 4, 2009, extends the program through 2013 by providing an additional \$44 billion in allotments above baseline funding levels of \$25 billion. This funding provides access to nearly four million newly insured children by 2013.

Enhances HIV/AIDS Prevention and Treatment. The Budget increases resources to detect, prevent, and treat HIV/AIDS domestically, especially in underserved populations.

Strengthens the Health Professions Workforce. The Budget invests \$330 million to address the shortage of health care providers in certain areas. The Budget expands loan repayment programs for physicians, nurses, and dentists who agree to practice in medically underserved areas. This funding will enhance the capacity of nursing schools to increase the number of nurses. It will also allow States to increase access to oral health care through dental workforce development grants. The Budget's new resources will sustain the expansion of the health care workforce funded in the Recovery Act.

Expands Access to Health Care for American Indians and Alaska Natives (AI/ANs). The Budget includes over \$4 billion for the Indian Health Service (IHS) to support and expand the provision of health care services and public health programs for AI/ANs. Investments in the Indian health system will focus on improving the health outcomes of AI/ANs and promoting healthy Indian communities. The President's Budget builds upon resources provided in the Recovery Act for IHS.

Supports Americans with Autism Spectrum Disorders (ASD). The President is committed to expanding support for individuals, families, and communities affected by ASD. The Budget includes \$211 million in HHS for research into the causes of and treatments for ASD, screenings, public awareness, and support services.

Improves Rural Health. The Budget includes \$73 million to improve both access to and quality of health care in rural areas. This funding will strengthen regional and local partnerships among rural health care providers, expand community-based prevention interventions, and promote the modernization of the health care infrastructure in rural areas.

Compares the Effectiveness of Treatments. Building on the unprecedented \$1.1 billion included in the Recovery Act for comparative effectiveness research, the Administration will continue efforts to produce state-of-the-science information on what medical treatments work best for a given condition. When coupled with electronic health records, these findings can form the basis for clinical decision support tools—distilling all available evidence on the outcomes of different treatment options into user-friendly pop-up alerts for physicians at the point of care. These findings can thereby enhance medical decision-making by patients and their physicians.

Makes a Down Payment on the President's "Zero to Five" Plan. The Recovery Act makes a down payment on the President's comprehensive Zero to Five plan, providing \$1.1 billion to double the number of children served by Early Head Start over two years, an additional \$1 billion to expand and improve Head Start, and an additional \$2 billion in funding for the Child Care and Development Block Grant. The Budget sustains critical support for young children and their families by building on these investments.

The Budget also creates the Nurse Home Visitation program, which will provide funds to States to provide home visits by trained nurses to first-time low-income mothers and mothers-to-be. The program has been rigorously evaluated over time and proven to have long-term effects including substantial reductions in child abuse and neglect, preterm births, and arrests for both parents and adolescents who participated in the

program as children, putting estimates of its return-on-investment between 3 to 6 dollars per dollar invested. This Budget builds the foundation for a program that could ultimately serve all eligible mothers who seek services.

Provides Energy Assistance to Low-Income Families. The Budget provides \$3.2 billion for the Low-Income Home Energy Assistance Program (LIHEAP) to help low-income families with their home heating and cooling expenses. That is the highest level of LIHEAP funding for any year except for the most recent, when the Nation was threatened with an unprecedented increase in energy costs. In addition, the Administration proposes creating a new trigger mechanism to provide automatic increases in energy assistance whenever there is a spike in energy costs. The normal appropriations process cannot always respond to the volatile energy market on a timely basis; the trigger will ensure a prompt and potentially significant increase in funds in response to a rapid future rise in costs.

Prevents Teen Pregnancy. The Budget supports State, community-based, and faith-based efforts to reduce teen pregnancy using evidence-based models. The program will fund models that stress the importance of abstinence while providing medically-accurate and age-appropriate information to youth who have already become sexually active.

Provides Support for Other Presidential Initiatives. The Budget includes funding to reduce domestic violence and enhance emergency care systems. It also expands the treatment capacity of drug courts including services to protect methamphetamine's youngest victims. Substance addiction is a preventable and treatable chronic condition and this initiative helps address the most urgent needs. The Budget also provides resources to reduce health disparities, which the President has identified as an important goal of his Administration.