

**TESTIMONY OF SECRETARY XAVIER BECERRA
BEFORE THE HOUSE COMMITTEE ON THE BUDGET
April 6, 2022**

Chairman Yarmuth, Ranking Member Smith, and Members of the Committee, thank you for the opportunity to discuss the President's Fiscal Year (FY) 2023 Budget for the Department of Health and Human Services (HHS). I am pleased to appear before you today, and I look forward to continuing to work with you to serve the American people.

HHS addresses many of the challenges facing our country today—ending the COVID-19 pandemic, reducing health care costs, expanding access to care, improving health equity, ending HIV/AIDS, enhancing child and family well-being, addressing the overdose epidemic, and strengthening behavioral health—and we are making meaningful progress on these priorities. Our work has never been more important, and I am honored to lead HHS at this critical moment.

The Budget advances the HHS mission to enhance and protect the health and well-being of all Americans. We are proud to be Congress' partner in supporting the American people, and we are grateful for the funding you have provided in support of the HHS mission. We take very seriously our commitment to ensure we are good stewards of every dollar in our budget.

Before I dive deeper, I first want to reflect on the Department's incredible achievements over the past year to save lives and improve health. Thanks to our work to develop and distribute vaccines and boosters, over 215 million Americans are fully vaccinated against COVID-19, and two-thirds of adults over age 65 have gotten their booster shots— an unprecedented accomplishment that saves lives every day. HHS procured and provided life-saving antivirals, monoclonal antibodies, and ongoing testing support, with more to come. To date, HHS has provided critical support that resulted in the emergency use authorization (EUA) of 3 vaccines (2 of which are now fully licensed), 7 therapeutics, and 29 diagnostics against COVID-19. HHS has procured millions of COVID-19 treatment courses for Americans, and is supporting the President's pledge to directly provide 1 billion tests to American households for free. Testing capacity has dramatically increased, and we've supplied free, high-quality masks to the American people. HHS has invested \$250 million in U.S.-based manufacturing of personal protective equipment (PPE) and \$950 million in manufacturing the supplies and equipment needed for vaccines, therapeutics, and diagnostic tests to strengthen the public health supply chain. We distributed Provider Relief Funds to support healthcare providers hit hard by the pandemic, and to reimburse providers for testing, treatment, and vaccine administration for uninsured patients. We provided guidance to support the safe return to the classroom, enabling schools nationwide to reopen.

As the President has said, it is critical to get Americans back to our more normal routines, while still protecting people from COVID-19, preparing for new variants, and preventing economic and educational shutdowns. HHS contributions over the past two years position our country to move forward safely, and we look forward to working with you to continue these efforts.

The country has seen historic increases in health insurance enrollment through the Marketplaces, with a record 14.5 million people signed up for 2022 healthcare coverage during the latest Marketplace Open Enrollment Period. Uninsured rates fell last year after the American Rescue Plan Act took effect, and continue to fall due to the success of innovative and targeted consumer outreach campaigns. We are implementing initiatives like the No Surprises Act, which establishes new federal protections against certain kinds of surprise medical bills. We are preparing for the expansion of the Suicide Lifeline with

the 9-8-8 implementation that will launch this summer. Working with our interagency partners, we also launched interagency initiatives like Operation Allies Welcome, a whole-of-government effort that helped over 68,000 Afghans to permanently resettle in 2021.

HHS has made key investments to address disparities and improve equity and launched new efforts to protect vulnerable communities who bear the brunt of climate change. We are prioritizing rural health and the needs of our Tribal partners. We released a new HHS Overdose Prevention Strategy and made significant investments in behavioral health. It is also an Administration priority to advance legislation that helps lower costs for families, including for child care, preschool, and long-term care, and I look forward to working with Congress to achieve this together.

The President's Budget will enable us to continue these critical efforts and achieve our mission in FY 2023. The FY 2023 Budget proposes \$127.3 billion in discretionary and \$1.7 trillion in mandatory budget authority, including newly proposed mandatory funding for the Indian Health Service and an historic mandatory funding request to transform our ability to protect the nation from future pandemics and other biological threats. These investments support families through early education, behavioral health, and access to care. The Budget demonstrates the Administration's commitment to reinvesting in public health, research, and development to drive growth and shared prosperity for all Americans by making major investments in priority areas, including overdose prevention, mental health, maternal health, cancer, and HIV/AIDS. COVID-19 has shown that health inequities and insufficient Federal funding leave communities vulnerable to these crises. The Budget advances equity and helps ensure our programs serve people of color and other underserved communities with the opportunities promised to all Americans.

Tackling COVID-19 and Preparing for the Next Biological Threat

First, I want to highlight that although HHS has made tremendous progress in the fight against COVID, we now face a dire moment. As you know, the Administration requested \$22.5 billion for immediate needs to avoid severe disruptions to our COVID response. We requested these funds as emergency resources, in the same way Congress provided multiple times on a bipartisan basis under the prior Administration. We face unavoidable impacts of not receiving these resources. Testing and treatment capacity will decline. The uninsured fund – which offers coverage of testing, treatments, and vaccinations for tens of millions of Americans who lack health insurance – will run out of money and stop paying provider claims. Already, it has stopped accepting provider claims for testing and treatments reimbursement, with the same soon to follow for vaccinations. Many Americans will no longer be able to access life saving monoclonal antibodies and antiviral drugs. We will be unprepared for a new variant and unable to provide life-saving vaccines to the American people. It is critical that we work together to avoid these and other severe consequences.

Beyond the need for investment in immediate COVID-19 response requirements, the FY 2023 budget builds on Congress' response investments to transform our preparedness for biological threats and strengthen national and global health and health security. The Budget includes a historic \$81.7 billion in mandatory funding over five years across the Office of the Assistant Secretary for Preparedness & Response (ASPR), CDC, the National Institutes of Health (NIH), and the Food and Drug Administration (FDA) to support the Administration's vision for pandemic preparedness.

This request provides \$40 billion to the Office of the Assistant Secretary for Preparedness and Response to invest in advanced development and manufacturing of countermeasures for high priority threats and viral families, including vaccines, therapeutics, diagnostics, and personal protective equipment. It provides \$28 billion for the Centers for Disease Control and Prevention (CDC) to enhance public health

system infrastructure, domestic and global threat surveillance, public health workforce development, public health laboratory capacity, and global health security. It provides \$12.1 billion to NIH for research and development of vaccines, diagnostics, and therapeutics against high priority biological threats; biosafety and biosecurity research and innovation to prevent biological incidents; and safe and secure laboratory capacity and clinical trial infrastructure. The Budget also includes \$1.6 billion for the Food and Drug Administration to expand and modernize regulatory capacity information technology, and laboratory infrastructure to support the evaluation of medical countermeasures.

Collectively, these activities will build capabilities the nation urgently needs to respond to future pandemics and biological threats from any source, strengthen international systems so that we can detect threats early and respond to threats quickly, and enable us to boldly and decisively act on the lessons from COVID-19.

In addition to this mandatory investment, the Budget also funds critical ongoing response and preparedness efforts through discretionary budgets. The HHS Coordination Operations and Response Element (H-CORE) within ASPR is responsible for coordinating the development, production, and distribution of COVID-19 vaccines and therapeutics. The Budget requests \$133 million for H-CORE, which is critical to beat COVID-19 and for future emergency response efforts beyond the pandemic, as ASPR builds an enduring response infrastructure. These resources will support the necessary staffing, acquisition support, and data analytics for COVID-19 countermeasures when emergency funding is no longer available to cover these costs.

The Budget requests \$828 million for the Biological Advanced Research and Development Authority (BARDA), to develop novel medical countermeasure platforms to enable quicker, more effective public health and medical responses to detect and treat infectious diseases. The Budget also requests \$975 million for the Strategic National Stockpile to sustain and expand the current inventory of supplies to ensure readiness for potential future pandemics.

COVID-19 has shown the importance of timely, reliable data to respond effectively to public health threats. The Budget makes robust investments in science and public health to improve and protect health at home and abroad, including at CDC for public health infrastructure and capacity, data modernization, global public health protection, and the Center for Forecasting and Outbreak Analytics. The Budget also includes \$197 million to expand state, local, tribal, territorial, and international capacity to combat antibiotic resistance at CDC, as well as an HHS-wide mandatory proposal to encourage the development of innovative antimicrobial drugs.

Advancing Science and Research

The Budget prioritizes research and scientific advancement. We are grateful for the support from Congress to establish the Advanced Research Projects Agency for Health (ARPA-H), and the Budget proposes \$5.0 billion to revolutionize how to prevent, treat, and even cure a range of diseases including cancer, infectious diseases, Alzheimer's disease, and many others. This funding is part of a proposed \$49.0 billion in discretionary funds for NIH to continue its incredible track record of turning discovery into health. NIH invests in basic research and translation into clinical practice to address the most urgent challenges including preparing for future pandemics, reducing health disparities and inequity, driving innovative mental health research, and ending the overdose crisis.

The Budget proposes investments in NIH, CDC, and FDA to reignite the President's Cancer Moonshot with an ambitious goal to reduce the death rate from cancer by at least 50 percent over the next 25 years, improve the experience of people and their families living with and surviving cancer, and end cancer as

we know it today. The Budget includes increases for CDC to enhance a range of cancer related programs and for FDA's Oncology Center of Excellence.

The Budget proposes \$6.8 billion for FDA to continue to work with developers, researchers, manufacturers, and other partners to help expedite the development and availability of therapeutic drugs and biological products, and to apply the best science in its food and tobacco work. The Budget also proposes \$527 million program level resources for the Agency for Healthcare Research and Quality (AHRQ) to support evidence-based research, data, and tools to make healthcare safer, higher quality, more accessible, equitable, and affordable for all Americans.

Importantly, the Budget also includes \$25 million for CDC and \$20 million for AHRQ to launch Centers for Excellence to study long COVID conditions and equip health care providers and systems to deliver patient-centered, coordinated care for this patient population.

Reducing Health Care Costs and Expanding Access to Care

To enhance the health and well-being of all Americans, the Budget makes access to more affordable health care a top priority. The Affordable Care Act (ACA), bolstered by the American Rescue Plan, has expanded health insurance coverage to historic numbers of Americans and the Budget builds on that legacy.

The American Rescue Plan made groundbreaking investments in the ACA by expanding premium subsidies to make coverage affordable for millions more Americans. As I mentioned earlier, a record-breaking 14.5 million people have signed up for 2022 health care coverage through the Marketplaces during the latest Marketplace Open Enrollment Period, including nearly 6 million people who have newly gained coverage. The American Rescue Plan lowered health care costs for most consumers and increased enrollment to record levels. In fact, consumers saw their average monthly premium fall by 23% compared to the prior open enrollment period. As you know, the American Rescue Plan subsidies will expire at the end of 2022 and without new legislation this will result in millions of Americans losing this more affordable coverage. I look forward to working with the Congress on this key priority. We are also concerned about millions of vulnerable Americans who could lose their Medicaid coverage when the COVID-19 Public Health Emergency ends. To address this concern, CMS has provided multiple rounds of guidance to state Medicaid and CHIP agencies that include a robust selection of best practices and recommended strategies allowed under current law when returning to routine operations after the Public Health Emergency ends. For example, recently, CMS released a State Health Official Letter that extends the time states have to process Medicaid redeterminations after the end of the Public Health Emergency from 12 months to 14. HHS is also working to increase awareness of coverage options through targeted outreach campaigns and making renewal of coverage for those eligible easier to navigate. We also look forward to working with the Congress to find solutions to providing coverage options for the nearly 4 million Americans in non-covered states. Additionally, the Administration supports strengthening home and community-based services as an alternative to institutionalized care, to ensure people have access to safe options that work for them.

Rising health care costs affect all Americans. HHS has taken steps to increase competition, improve transparency, and strengthen consumer protections. Under the No Surprises Act, a critical bipartisan law passed by Congress, HHS continues to implement the law that shields consumers from certain kinds of surprise medical bills and requires greater transparency from providers. HHS also issued a proposed rule to make hearing aids available to individuals over-the-counter that can help provide consumers with more affordable options and lead to a more competitive market.

I look forward to working with the Congress to lower health care costs and expand and improve coverage for all Americans. Reaffirming the President's charge in his State of the Union address, we will work to lower the costs of prescription drugs, such as by capping the cost of insulin at \$35 per month, and to allow Medicare to negotiate payment for certain high-cost drugs.

During the COVID-19 public health emergency, telehealth has been a reliable resource for providers to reach patients directly in their homes to ensure access to care and continuity of services. The Administration is committed to supporting a temporary extension of broader telehealth coverage under Medicare beyond the declared COVID-19 Public Health Emergency to study its impact on utilization of services and access to care. I want to thank Congress for provisions included in the FY 2022 Omnibus spending bill that extend Medicare telehealth flexibilities for 5 months after the end of the public health emergency.

Additionally, the COVID-19 pandemic highlights the importance of vaccines and prevention. Long-standing, deep disparities exist in adult vaccination coverage based on race and ethnicity, particularly among Black and Hispanic populations as compared to other groups. The Budget proposes Vaccines for Adults, a new mandatory program modeled after the existing Vaccines for Children (VFC) program, to provide uninsured adults with access to vaccines, free of charge, that are recommended by the Advisory Committee on Immunization Practices. The Budget further expands the VFC program to include all children under age 19 enrolled in the Children's Health Insurance Program. The Budget also includes a proposal to consolidate Medicare coverage of vaccines under Part B, which will make vaccines more accessible, remove financial barriers, and streamline the process for Medicare beneficiaries and providers.

The Budget continues to support the fourth year of the Ending the HIV Epidemic initiative with \$850 million in funding across CDC, HRSA, IHS, and NIH for FY 2023. The initiative is critical to achieve President Biden's plan to end the HIV/AIDS epidemic by 2030 and ensure access to HIV prevention, care, and treatment. HHS works closely with communities to support the four key strategies – Diagnose, Treat, Prevent, and Respond – to end the HIV epidemic. The Budget also creates a national program that invests \$9.8 billion over 10 years to provide a financing and delivery system to ensure everyone has access to pre-exposure prophylaxis, also known as PrEP, and essential wraparound services.

Tackling Health and Human Services Disparities

Advancing equity is at the core of the Budget. HHS works to close the gaps in access to healthcare and human services to advance equitable outcomes for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality. HHS is committed to carrying out the President's Executive Order 13985 on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government. Even before the pandemic, we were not doing enough to provide equitable preventive measures, services, and treatment options in every community – and COVID has only made this disparity worse.

Maternal mortality in the United States is significantly higher than most other developed nations and is especially high among Black and Native American/Alaska Native women, regardless of their income or education levels. The Biden-Harris Administration is committed to promoting maternal health and ensuring equitable access to affordable, quality healthcare for our nation's mothers. The Budget invests over \$470 million across AHRQ, CDC, HRSA, IHS, and NIH to reduce maternal mortality and morbidity. This includes increased funding to CDC's Maternal Mortality Review Committees and other Safe Motherhood programs, HRSA's State Maternal Health Innovation Grants program and a new Healthy Start program initiative, and other maternal health programs across HHS.

The Budget also invests in maternal and broader women's health and health equity, including \$86 million for the Office of Minority Health to focus on areas with high rates of adverse maternal health outcomes and areas with significant racial or ethnic disparities. In addition, the Budget also includes \$42 million for the Office on Women's Health to fund prevention initiatives that address health disparities for women.

Black and Latino/Hispanic people, along with American Indian/Alaska Native people, are much less likely than white people to have health insurance. Evidence shows that expanding coverage is not only essential for facilitating equitable access to health care, but also is associated with reduced morbidity and mortality, poverty reductions, and protection from debilitating financial bills. The Budget supports policies to promote a stronger and more equitable health insurance system beginning with new requirements for data on race and ethnicity in Medicare.

The Budget also invests \$35 million for a new initiative to systematically identify and resolve barriers to equity in each Centers for Medicare & Medicaid Services (CMS) program through research, data collection and analysis, stakeholder engagement, building upon rural health equity efforts, and technical assistance. CMS is committed to obtaining more accurate and comprehensive race and ethnicity data on Medicare beneficiaries, and to require reporting on social determinants in post-acute healthcare settings. CMS also proposes to add Medicare coverage for services furnished by community health workers who often play a key role in addressing public health challenges for underserved communities. These proposals will help identify, mitigate, and lessen health disparities.

Health Centers are the first line of defense in addressing behavioral health issues nationwide when resources are available. This is particularly true for underserved populations, including low-income patients, racial and ethnic minorities, rural communities, and people experiencing homelessness. The Budget provides \$5.7 billion for health centers, including \$3.9 billion in mandatory resources.

The COVID-19 pandemic has further disrupted access to reproductive health services and exacerbated inequalities in access to care. HHS commits to protecting and strengthening access to reproductive healthcare, and the Budget proposes \$400 million to the Title X family planning program to address increased need for family planning services. Title X is the only federal grant program dedicated solely to providing individuals with comprehensive family planning and related preventive health services in communities across the United States.

The Budget increases services to prevent child maltreatment and the need for foster care, and supports states in moving towards child welfare systems that provide more tailored and comprehensive prevention services to a broader, more diverse group of families. Prevention services and support are particularly important for at-risk Black, Latino, Indigenous, Native American, and members of other under-served communities, which have disproportionate involvement with the child welfare system.

The Budget provides \$3.1 billion for the Administration for Community Living (ACL), reflecting significant demand increases for critical services caused by population growth and pandemic impacts. ACL supports caregivers and advances equitable access to health care, education, employment, transportation, recreation, and other systems, resources, and opportunities. ACL advances equity by targeting those in greatest social and economic need, with particular attention on people with disabilities and older adults who are marginalized due to race, ethnicity, sexual orientation, gender identity, poverty, language spoken, and who are at risk of institutionalization.

Lastly, the Budget takes a historic first step toward redressing health disparities faced by American Indians and Alaska Natives by proposing all funding for the Indian Health Service (IHS) as mandatory. In FY 2023, the Budget provides \$9.3 billion, which includes \$147 million in current law funding for the

Special Diabetes Program for Indians. This substantial funding increases of \$2.5 billion above FY 2022 enacted will support direct healthcare services, facilities and IT infrastructure, and management and operations. It also provides targeted increases to address key health issues that disproportionately impact American Indians and Alaska Natives such as HIV, Hepatitis C, opioid use, and maternal mortality. With current law funding for the Special Diabetes Program for Indians, the total program level for IHS is \$9.3 billion in FY 2023.

To address chronic underinvestment in IHS, the Budget increases funding for each year over ten years, building to \$36.7 billion in FY 2032. This increase of 296 percent over the ten-year budget window accomplishes funding growth beyond what can be accomplished through discretionary spending. Over a five-year period, the budget will reduce existing facilities backlogs, fully fund the level of need identified by the Federal-Tribal Indian Health Care Improvement Fund workgroup and support the modernization of the IHS electronic health record system. Additionally, the Budget grows IHS funding to keep pace with inflation and population growth. This request responds to the long-standing recommendations of tribal leaders shared in consultation with HHS to make IHS funding mandatory, and HHS will continue consulting with tribes to inform future policy and budget requests. HHS appreciates the strong partnership with Congress to grow funding for the IHS budget over the last decade, and looks forward to continuing our shared efforts to improve health care in Indian Country.

Strengthening Behavioral Health

HHS is committed to combating America's mental health and substance use crises. The pandemic has had a devastating impact on mental health, particularly for young people, by dramatically changing Americans' experience of home, of school, of work, and in their communities. The President has outlined a bold strategy for tackling the nation's mental health crisis, calling for an increased focus on building system capacity, connecting more people to care, and creating a continuum of support to keep people healthy and help Americans thrive. I also recently launched a National Tour to Strengthen Mental Health, to hear directly from Americans across the country about the mental health and substance use challenges they're facing and to engage with local leaders to strengthen the mental health and crisis care system in our communities. We are also working with the Department of Education to develop and align resources to ensure children have the physical and behavioral health services and supports that they need to build resilience and thrive. Individuals who develop substance use disorders are often also diagnosed with mental disorders—the budget addresses the significant connection between mental health and substance use by investing in a broad spectrum of behavioral health services.

The Budget includes new, historic mandatory investments in totaling \$51.7 billion over ten years to address the nation's behavioral health crisis. In support of the President's call for reforming our mental health care system to fully meet the needs of our communities, the Budget includes a new \$7.5 billion Mental Health Transformation Fund, allocated over a 10 year period, to increase access to mental health services through workforce development and service expansion, including through health care and community settings that have not traditionally provided mental health services but that are well-positioned to reach more people. The Mental Health Transformation Fund will also support the expanded use of evidence-based practices for mental health care, to ensure that families and communities affected by mental illness receive the highest quality care and supports.

The Budget improves Medicare coverage of mental healthcare and makes access to such care more affordable by eliminating the 190-day lifetime limit on psychiatric hospital services and requiring Medicare to cover three behavioral health visits per year without cost-sharing. In addition, the Budget would recognize licensed professional counselors and marriage and family therapists as independent practitioners who are authorized to furnish and receive direct Medicare payment for their mental health

services, aligns the criteria for psychiatric hospital terminations from Medicare with that of other healthcare providers, and applies the Mental Health Parity and Addiction Equity Act to Medicare.

Additionally, the Budget establishes a Medicaid provider capacity demonstration program for mental health treatment and establishes a performance bonus fund to improve behavioral health services in Medicaid. The Budget also expands and converts the Demonstration Program to Improve Community Mental Health Services into a permanent program. Further, the Budget prevents states from prohibiting same day billing and allows providers to be reimbursed for Medicaid mental health and physical health visits provided to a Medicaid beneficiary that occur on the same day and requires that Medicaid behavioral health services, whether provided under fee-for-service or managed care, be consistent with current and clinically appropriate treatment guidelines.

For people with private health insurance, the Budget requires all health plans to cover mental health and substance use disorder benefits and ensures that plans have an adequate network of behavioral health providers. The Budget also establishes grants to states to enforce parity between mental and substance use disorder and other medical benefits.

The Budget also proposes \$20.8 billion in discretionary funding for behavioral health programs in FY 2023, including significant investments in mental health programs such as the National Suicide Prevention Lifeline, a free, confidential 24/7 phone line that connects individuals in crisis with trained counselors across the United States. The Lifeline receives calls from people with substance use; depression; mental and physical illness; economic worries; loneliness; and concerns about relationships and sexual identity. Ensuring the success of the Lifeline particularly as it transitions to the universal 3-digit number 988 is a top priority for HHS.

To support the health workforce, the Budget includes \$397 million for Behavioral Health Workforce Development Programs and \$25 million in the National Health Service Corps funding specifically for mental health providers. The Budget also includes \$50 million for the Health Resources and Services Administration (HRSA) for Preventing Burnout in the Health Workforce. This investment will provide crucial support for health workforce retention and recruitment, which is essential for addressing current and future behavioral health workforce shortages.

Suicide remains the second leading cause of death among young people between the ages of 10 and 34. Many youth, especially young people of color, Indigenous youth, and LGBTQ+ youth, still lack access to affordable healthcare coverage that is necessary for them to receive treatment for mental health conditions.

The Budget also includes \$308 million for Project AWARE and the Mental Health Awareness Training program to expand support for comprehensive, coordinated, and integrated state and tribal efforts to adopt trauma-informed approaches and increase access to mental health services. School and community-based programs like Project AWARE have been shown to improve mental health and emotional well-being of children at low cost and high benefit. Prevention is an investment in our future, and it lowers adverse outcomes with high societal impact.

According to CDC data, drug overdose deaths increased nearly 30 percent in 2020. Last fall, I announced the release of a new, comprehensive HHS Overdose Prevention Strategy for the nation, designed to increase access to the full range of care and services for individuals with substance use disorders and their families. This new strategy focuses on the multiple substances responsible for overdose and the diverse treatment approaches needed to address them.

The Budget invests \$11.0 billion to combat the overdose crisis across HHS in support of four key target areas—primary prevention, harm reduction, evidence-based treatment, and recovery support – and reflects the Biden-Harris Administration principles of equity for underserved populations, reducing stigma, and evidence-based policy.

The Budget also proposes \$553 million for Certified Community Behavioral Health Centers Expansion Grants to provide coordinated, high-quality, comprehensive behavioral health services. The Budget also proposes to remove the word “abuse” from the agency names within HHS—including the Substance Use and Mental Health Services Administration, the National Institute on Alcohol Effects and Alcohol-Associated Disorders, and the National Institute on Drugs and Addiction. Individuals do not choose to “abuse” drugs and alcohol; they suffer from addiction, which is a chronic medical condition. It is a high priority for this Administration to move past outdated and stigmatizing language that is harmful to these individuals and their families.

Supporting Children, Families, and Seniors

HHS has a responsibility to ensure our programs serve children equitably, and the high-quality care of children positively impacts their success later in life. The Budget proposes \$20.2 billion in discretionary funding for the Administration for Children and Families’ early care and education programs. This includes \$12.2 billion for Head Start to provide services to more than a million children, pregnant women, and families, \$7.6 billion for the Child Care and Development Block Grant, and \$450 million for Preschool Development Grants to increase capacity of states to expand preschool programs.

The Budget expands home visiting programs over five years to provide economic assistance, child care, and health support for up to 165,000 additional families at risk for poor maternal and child health outcomes. This funding will help strengthen and expand access to home visiting programs that provide critical services directly to parents and their children in underserved communities.

The mandatory budget includes a \$4.9 billion expansion of services to prevent child maltreatment and the need for foster care. For children who must be removed from their parents, the Budget includes \$1.3 billion in support for states to prioritize placing children with kin, as well as a \$3 billion increase for programs to stabilize and support families and adoptive families, and a \$1 billion increase in support for the transition to adulthood for youth who experienced foster care. While not part of HHS’s budget, the Budget proposes to make the adoption tax credit fully refundable so that more families can benefit and to expand the credit to include qualifying legal guardianships.

We face a public health crisis of violence in our communities, which disproportionately affects communities of color. The Budget includes \$250 million for CDC for the Community Violence Intervention initiative, in collaboration with Department of Justice to implement evidence-based community violence interventions at the local level, as well as funding for firearm violence prevention research. The Budget also promotes prevention of and early intervention after adverse events, like community violence, to mitigate longer term impacts, including \$15 million for CDC to advance surveillance and research aimed at preventing Adverse Childhood Experiences. The Budget also includes \$519 million for ACF’s Family Violence Prevention and Services programs, including \$250 million to provide direct cash assistance to survivors of domestic violence.

The Budget supports FDA’s public education campaigns to educate youth about the dangers of e-cigarette use; provide resources to educators, parents, and community leaders to prevent youth use; and provide resources to help kids who are already addicted to e-cigarettes quit using these harmful products. The

Budget includes \$812 million for FDA’s tobacco program, an increase to enhance product review and evaluation, research, compliance and enforcement, public education campaigns, and policy development.

The Administration for Community Living (ACL) protects seniors and persons with disabilities from abuse through investments in Adult Protective Services and the Long-Term Care Ombudsman Program. As the populations served by ACL continue to grow, the Budget provides \$139 million to protect vulnerable older adults. The Budget also bolsters ACL’s role as an advocate for older adults and people with disabilities.

Refugees and Unaccompanied Children

Amid the COVID-19 pandemic, large numbers of unaccompanied children continue to arrive at our Southern border. HHS is committed to fulfilling our legal and humanitarian responsibility to care for all unaccompanied children (UC) referred to us by federal partners. The FY 2023 Budget includes \$6.3 billion in discretionary funding for the Office of Refugee Resettlement, including \$4.9 billion for the unaccompanied children program so that HHS may continue to care for UC safely and humanely, in alignment with child welfare best practices. The Budget also proposes a mandatory contingency fund to provide additional funds if there is a surge in UC referrals, as well as mandatory funding to build towards universal UC legal representation. HHS is committed to unifying these children with vetted sponsors, usually a parent or close relative, as safely and quickly as possible, and the Budget includes funding to implement critical programmatic reforms and service expansions. The Budget also builds on the nation’s refugee infrastructure to support resettling of up to 125,000 refugees in 2023, and requests authority to use these funds to support the successful reunification of families who were cruelly separated under the Trump Administration.

Improving Safety and Oversight Nursing Homes

Building on the President’s State of the Union Address, the Budget is committed to ensuring nursing homes are safe and providing high quality care to vulnerable Americans by increasing funding for nursing home health and safety inspections by nearly 25 percent. Additionally, by increasing nursing home owners’ accountability for minimum quality standards, noncompliant facilities can be held financially responsible for poor safety and care. The Budget also requests authority to publish accreditation surveys for other healthcare facilities, like hospitals, rural health clinics, and ambulatory surgical centers, which will better inform the public when selecting care locations for loved ones. The Administration also supports strengthening home and community-based services to ensure people have access to safe options that work for them.

Funding Core Program Operations

While the service provided by HHS continues to grow, investment in the Department’s operational needs ensures HHS can carry out its mission to enhance and protect the health and well-being of all Americans while maximizing our resources. This investment strengthens administrative and operational resources throughout the Department needed to ensure proper stewardship of resources entrusted to HHS by Congress.

Providing Oversight and Program Integrity

Given the importance and magnitude of HHS’ work, ensuring the integrity of our spending is a core value and responsibility of HHS. The Budget increases discretionary Health Care Fraud and Abuse Control program spending to a total of \$899 million to provide oversight of CMS health programs, strengthen

OIG investigations, and protect beneficiaries against healthcare fraud, yielding a return-on-investment of \$13.6 billion over ten years. The pandemic has unleashed new health care fraud risks related to the implementation of billions in new federal spending, as well as multiple provider regulatory and other flexibilities. These funds are critical to help HHS root out bad actors and ensure program integrity.

Conclusion

I want to thank the Committee for inviting me to discuss the President's FY 2023 Budget for HHS. The Budget offers a vision for the nation that reinvests in America's health, supports growth and prosperity, and meets our commitments to the American people and especially to the most vulnerable. I look forward to working with you to fulfill that vision. If we step up in this moment, we can lay the foundation now. These are critical programs and issues that deserve attention and adequate funding. Thank you for your partnership in advancing our shared goal to improve the health, safety, and well-being of our nation.