

TESTIMONY OF SECRETARY XAVIER BECERRA

Chair Baldwin, Ranking Member Capito, and Members of the Subcommittee, thank you for the opportunity to discuss the President's Fiscal Year (FY) 2024 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.

It is my great pleasure to serve as the head of the Department of Health and Human Services – a department full of dedicated civil servants who work tirelessly to meet our mission of enhancing the health and well-being of the American people. We know this goal is also shared by all of you, and we are excited about working with you to fund key initiatives that will enable us to continue to meet that mission.

The FY 2024 budget proposes \$144 billion dollars in discretionary funding and \$1.7 trillion dollars in mandatory funding to continue the work of the Department and make major investments in several critical areas. Our country faces numerous health care challenges – and HHS is at the center of addressing many of these issues – including the need to transform behavioral health care; prepare for future public health threats; support unaccompanied children and refugees; expand access to health care especially in rural America; address the needs of those most at risk; improve the health and well-being of our children, families, and seniors; grow and retain the health workforce; and advance and sustain medical research capabilities. We also continue to focus on additional priorities like protecting Medicare, expanding insurance coverage, decreasing drug costs, meeting the health needs of Indian Country, and making critical investments in improving our regulation of food and drugs.

Transforming Behavioral Health Care

In response to the current behavioral health crisis, HHS makes substantial investments in services to provide more Americans with access to the care they need when they need it. The 9-8-8 National Suicide Prevention Lifeline operates 24/7 to provide access to trained counselors to people in crisis. In the FY 2024 budget, the Substance Abuse and Mental Health Services

Administration (SAMHSA) will dedicate an additional \$334 million to the 9-8-8 program to meet an expected volume of 9 million contacts. Investing in the crisis response continuum more broadly is critical to ensuring that the system is responsive at any time and in any place. The budget builds on previous investments to provide \$100 million for mobile crisis response to expand partnerships with 9-8-8 local crisis centers, community providers, 9-1-1 centers, and first responders to promote health-first responses to mental health, suicidal, and substance use crisis events.

One in 4 adults in the United States had a mental illness and 46 million Americans had a substance use disorder in the past year.¹ To address these challenges, the budget continues to invest in the nation's mental health infrastructure and to further integrate behavioral health care into health care, social services, and early childhood systems. The FY 2024 budget proposes to increase the Community Mental Health Services Block Grant by \$645 million and proposes to increase the Substance Use Prevention, Treatment, and Recovery Services Block Grant by \$700 million. The budget converts the Certified Community Behavioral Health Clinics demonstration to a permanent program to further ensure access to comprehensive behavioral health care for all who need it.

The budget invests in the behavioral health workforce, providing an increase of \$190 million at the Health Resources and Services Administration (HRSA) for workforce development and an additional \$17 million at SAMHSA for minority fellowships. Additionally, the FY 2024 budget expands Medicare coverage of, and payment for, additional behavioral health professionals. The budget supports more than 27,000 mental health and substance use disorder trainees and providers.

To develop new approaches to addressing mental health and substance use disorders, the FY 2024 budget includes an additional \$200 million for the National Institutes of Health (NIH) to prioritize innovative mental health research and treatment, with the agency allocating a portion of these resources to launch a new precision psychiatric initiative. NIH will also continue to invest over \$1.8 billion in research on opioid misuse, addiction, and pain disorders, including the

¹ ["Facts about Suicide", Centers for Disease Control and Prevention](#)

Helping to End Addiction Long-term (HEAL) initiative. HEAL aims to develop innovative treatments for opioid addiction and chronic pain and associated health disparities. The budget also includes proposals to modernize and expand Medicare's mental health benefits and improve behavioral health for the private insurance market, with an emphasis on improving access, promoting equity, and fostering innovation.

Preparing for Future Public Health Threats

On February 11th, HHS renewed the COVID-19 Public Health Emergency (PHE) for what we expect will be the final time. The nation has made tremendous progress: the Administration effectively implemented the largest adult vaccination program in U.S. history, with nearly 270 million Americans receiving at least one shot of the COVID-19 vaccine. Second, we made available to the American public 1.16 billion COVID tests at no cost. And we were able to provide over 23 million therapeutic courses of treatment to Americans. According to the Commonwealth Fund, two years of COVID vaccinations saved over 3 million lives, in addition to preventing more than 18.5 million hospitalizations.

The FY 2024 budget prioritizes preparedness for the next health crisis. The budget includes \$20 billion in mandatory funding, available over 5 years, across the Administration for Strategic Preparedness and Response (ASPR), Centers for Disease Control and Prevention (CDC), Food and Drug Administration (FDA) and NIH to support the President's plan to transform the Nation's capabilities to prepare for, and respond rapidly and effectively to, future pandemics and other biological threats. This includes investments in enhancing early detection and warning systems, advancing, and securing safe and effective supplies and medical countermeasures, and strengthening public health systems and core capabilities. For ASPR, the budget includes \$1 billion in discretionary funding for the Biomedical Advanced Research and Development Authority (BARDA) to develop innovative medical countermeasures, \$995 million for the Strategic National Stockpile, and \$400 million to bolster the medical supply chain and create medical countermeasures that address key preparedness gaps. The FY 2024 budget also includes \$10.5 billion in discretionary funding for the CDC to protect health, safety, and security at home and abroad. Additional strategic investments, including at the FDA and the NIH, are proposed to

bolster our national preparedness posture as we ready ourselves for the next public health threat – no matter its origin. These funding proposals are paired with a suite of legislative proposals that would provide HHS with authorities to enable HHS to respond to future threats nimbly and effectively.

Supporting Unaccompanied Children and Refugees

Children presenting at the border without a parent or guardian, and refugees arriving in our nation, must be cared for in a safe and humanitarian manner. At HHS, we will continue to do our part to protect the safety and wellbeing of unaccompanied children by providing them appropriate child-centered care while they are in our custody; placing them in the custody of parents, relatives, and other appropriate sponsors after thorough vetting; and providing post-release services including safety and wellbeing calls. HHS already provides post-release services to more than 40 percent of children released from our care, nearly double the percentage receiving services when the Biden Administration took office and is on track to provide services to nearly 60 percent of children by the end of this fiscal year, and all children within the next two years.

The FY 2024 budget provides \$5.5 billion for unaccompanied children and \$1.7 billion for refugees and other new arrivals eligible for benefits. In addition, to address the inherent uncertainties in budgeting for these populations, the budget includes a discretionary contingency fund, which would provide additional resources if either population exceeded certain levels, and is estimated to provide \$2.8 billion in FY 2024. The fund expands on the unaccompanied children contingency fund that Congress enacted in FY 2023. These services and resources are critical to our country, and I would like to thank Congress for your continued dedicated support.

Protecting the Health of All Americans

The Administration aims to reduce maternal mortality and morbidity, through proposals such as the “Birthing-Friendly” hospital designation which drives improvements in maternal health outcomes. The budget includes \$1.9 billion for HRSA Maternal and Child Health programs, an

increase of \$205 million, directing \$276 million toward reducing maternal mortality and morbidity and \$185 million to the Healthy Start program to reduce racial disparities in maternal and infant health outcomes. The budget also provides \$30 million for NIH to continue the Implementing a Maternal health and Pregnancy Outcomes Vision for Everyone (IMPROVE) initiative to support research focused on interventions for preventable maternal mortality and morbidity and associated risk factors that contribute to health disparities in maternal care. The budget further includes \$3 million for NIH's continued research on the effects of COVID-19 on individuals during pregnancy, lactation, and the postpartum period. The budget also requires states to provide 12 months of postpartum coverage through Medicaid and the Children's Health Insurance Program.

HHS is also committed to protecting and strengthening access to reproductive health care. The budget provides \$512 million to the Title X family planning program to address increased need for family planning services for approximately 4.5 million individuals, with 90% having family incomes at or below 250% of the federal poverty level. 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 also includes an additional \$63 million to strengthen access to health care in rural communities, including a \$20 million increase in funding for opioids response and \$30 million for new initiatives to support rural hospital sustainability. There is a \$80 million increase in discretionary funding for Health Centers, which provide health care services to underserved populations across the country, along with substantial increases on the mandatory side. The budget proposes a pathway to doubling the program's funding with a critical three-year down payment on this goal.

Expanding and Retaining the Health Workforce

The health workforce plays a vital role in responding to public health needs. As the demand for health care workers increases, HHS remains committed to strengthening, expanding, and retaining the workforce. The FY 2024 budget provides \$2.7 billion for HRSA workforce

programs, including \$947 million in mandatory resources, to expand workforce capacity across the country. The discretionary budget includes \$28 million for a new program to support innovative approaches to address health care workforce shortages and strengthen retention efforts. The budget also provides \$25 million for a program to support the adoption of workplace wellness in health care facilities including hospitals, rural health clinics, community health centers, and medical professional associations. The budget includes \$106 million within CDC to support public health training and fellowship programs to strengthen the existing workforce as well as support a pipeline of personnel ready and able to address public health threats. In addition to these investments, HHS prioritizes diversifying the health care workforce to better serve all communities and build a more equitable health care system.

Improving the Well-Being of Children, Families, Seniors, and People with Disabilities

Early childhood programs have a return of up to \$9 for every \$1 spent due to the positive long-term health, educational, and social impacts on vulnerable children. The budget includes \$13 billion for Head Start, an increase of \$1.1 billion, to provide comprehensive early learning and development services to roughly 760,156 slots for eligible children and pregnant women. Within this total, \$440 million is included for a cost-of-living adjustment for Head Start workers, and \$575 million is included to further improve compensation. Collectively, these investments ensure that families have access to high-quality services by retaining and supporting the workforce. In addition, the budget includes a legislative proposal to expand tribal, migrant, and seasonal Head Start eligibility.

The budget likewise invests in child care, critical to both working parents, and particularly mothers, and children. For the discretionary Child Care and Development Block Grant, the budget provides for an investment of \$9 billion, an increase of nearly \$1 billion over the FY 2023 enacted funding level.

The President's Budget also includes a new initiative that expands access to high-quality early care and education. The budget includes a mandatory proposal to invest \$400 billion over 10 years in high-quality child care, and \$200 billion over 10 years in universal preschool. This funds

states to expand access to high-quality child care to more than 16 million young children and dramatically expand access to and increase the quality of preschool so that all of the approximately four million 4- year-old children in the United States have access to high-quality preschool, while also charting a path to expand free school to 3-year-olds. Implementing the child care and universal preschool proposals concurrently saves \$24.3 billion over 10 years and is reflected in the estimated child care costs.

The COVID-19 pandemic revealed that millions of children, families, seniors, and people with disabilities are living with food insecurity. The increased need for nutrition programs has not abated, and the FY 2024 budget supports the Administration’s National Strategy on Hunger, Nutrition, and Health by including \$137 million across HHS to reduce hunger, food insecurity, and malnutrition. Within the \$137 million, the budget includes \$12 million at the Administration for Community Living (ACL) for nutrition services for older adults and people with disabilities and \$72 million to expand CDC’s State Physical Activity and Nutrition program, which implements evidence-based strategies to reduce chronic disease. In addition, the budget proposes to increase funding at NIH for nutrition research. Further, within ACL, the budget includes \$1.3 billion for Nutrition Programs for older adults, to provide healthy meals served in both home-delivery and congregate settings. These programs enable seniors to live in their homes independently and help them stay engaged with critical community-based supports.

HHS is likewise committed to ensuring that seniors and people with disabilities have the essential resources and services they need. In addition to providing nutrition services in older adults and people with disabilities through ACL as previously mentioned, the budget also expands Medicare coverage for nutrition and obesity counseling services, and includes a new pilot project on medically tailored meals. The FY 2024 budget also makes key investments in the Elder Justice Adult Protective Services program. As noted above, the budget also includes a \$150 billion mandatory investment over 10 years in improving and strengthening Medicaid home and community-based services and provisions to improve safety and quality in our nation’s nursing homes.

The budget extends the solvency of the Medicare Hospital Insurance Trust Fund by at least 25 years without cutting benefits. The budget builds on efforts in the Inflation Reduction Act to lower prescription drug prices. It also invests \$8 billion to enhance Medicare benefits, such as preventing diabetes, expanding access to behavioral health services and community health workers, improving the quality and safety of long-term care services, expanding coverage for nutrition and obesity counseling, eliminating hepatitis C, and advancing equity. Additionally, the budget aligns income and asset determination processes for Medicare low-income assistance programs, easing administrative burdens for states and removing enrollment barriers for individuals.

Advancing Science to Improve Health

As President Biden has said, “cancer does not care if you’re a Republican or a Democrat,” which is why the President and First Lady reignited the Cancer Moonshot one year ago. HHS is committed to leading the public sector in pursuit of cutting the cancer death rate by 50 percent over the next 25 years and supporting families, their caregivers and family members, living with and surviving cancer.

NIH will continue to build on the Cancer Moonshot’s momentum by supporting projects that will deliver important insights into preventing, detecting, and treating cancer. The FY 2024 budget includes \$716 million in discretionary resources for dedicated Cancer Moonshot activities at NIH. In addition to the FY 2024 resources, the budget also proposes to reauthorize the 21st Century Cures Act Cancer Moonshot through 2026 and provide \$2.9 billion in mandatory funding in 2025 and 2026, \$1.45 billion each year. To support the goals of the Cancer Moonshot, the FY 2024 budget includes an additional \$183 million for a total of \$839 million to support cancer prevention and control programs across CDC, including screening programs, tobacco prevention, Human Papillomavirus (HPV) prevention and analysis of cancer clusters, and laboratory and environmental health activities. An additional investment of \$20 million for HRSA is also provided, to expand partnerships between federally funded health centers and NCI-Designated Cancer Centers to facilitate access to lifesaving cancer screening and early detection services for medically underserved populations. The budget also includes \$108 million within

IHS to address specialized cancer care needs in tribal communities. The budget also proposes to create a new Cancer Care Quality Reporting Program for all Medicare providers furnishing cancer care services. This unified program would enable the Centers for Medicare & Medicaid Services (CMS) to assess and compare cancer care delivered through multiple provider types, drive improvements in the quality of cancer care, and standardize data collection to identify and address potential inequities in care.

The budget will prioritize innovative mental health research and treatment and the NIH climate change initiative. NIH will continue to invest funds to address the opioid crisis, end HIV, and advance other research areas, such as improving health disparities and inequities research, as well as continuing the agency's progress towards a universal influenza vaccine. NIH's budget also continues support for the *All of Us* and Brain Research Through Advancing Innovative Neurotechnologies (BRAIN) initiatives, both started by the 21st Century Cures Act.

The budget also invests in high-impact research advances that drive innovation through the Advanced Research Projects Agency for Health (ARPA-H). As an independent research entity, ARPA-H will be able to accelerate health breakthroughs with the potential to transform important areas of health and medicine. The budget provides \$2.5 billion for the agency's approach to prevent, detect, and treat cancer and other diseases such as diabetes and dementia. ARPA-H will advance high-potential, high-impact biomedical and health research that cannot be readily accomplished through other existing research or commercial activity.

In keeping with the Agency for Healthcare Research and Quality's (AHRQ) mission to provide evidence-based research, data, and tools to improve health care quality, the FY 2024 budget includes \$564 million to support AHRQ's research on health costs, quality, and outcomes to make health care safer, more accessible, equitable and affordable for all Americans. Included are additional resources to further Long COVID care, primary care, and diagnostic safety research.

Promoting Effective and Efficient Management and Stewardship

To protect against potential information technology threats and to coordinate information sharing across the public health sector, the FY 2024 budget prioritizes cybersecurity enhancements. The budget provides an increase of \$88 million above FY 2023 enacted for cybersecurity initiatives in the Office of the Chief Information Officer, for a total of \$188 million in FY 2024. At this funding level, the Cybersecurity Program will support greater Department-wide and interagency information technology capability and security development, including directing \$50 million for investment in a robust Zero Trust architecture to continue to secure HHS's cybersecurity posture.

As federal stewards, it is our duty to ensure that taxpayer dollars are spent appropriately through the delivery of quality services, and through preventing waste, and abuse. Continued investment in the Department's operational needs will ensure HHS's ability to carry out its mission to enhance and protect the health and well-being of all Americans while appropriately shepherding our resources. General Departmental Management (GDM) supports the Secretary's role as chief policy officer and general manager of HHS in administering and overseeing the organizations' programs, and activities of the Department. Unfortunately, since FY 2012, HHS leadership has managed growing responsibilities with fewer resources and staff. The budget would begin to reverse the steep 24% decline in GDM "federal funds" which fund oversight and management staff, representing 228 full-time equivalents.

Two operating divisions face particular challenges with respect to their own administrative funding. The CMS Program Management discretionary appropriation has not kept pace with the growth in enrollments, responsibilities, and complexity within Medicare and Medicaid, putting both beneficiaries and taxpayers at risk. A substantial funding increase is needed to meet fundamental responsibilities to our seniors. The FY 2024 Budget requests an increase of \$425 million for Program Management to keep pace with eligibility and claims processing for people with disabilities, strengthen nursing home oversight, reduce prescription drug prices, advance health equity, improve health care quality, and conduct Medicaid eligibility determinations as the public health emergency winds down. Likewise, ACL requests an additional \$17 million to keep pace with growing programming to improve access to care and community supports for older adults and people with disabilities and to meet the needs of a rapidly aging population: ACL has

had roughly 200 staff since 2018, yet its grants have doubled in value and increased by more than 50% in number.

The budget provides \$75 million for new projects to improve the customer experience for Americans at significant points in their lives. For example, CMS, with other federal partners, will test ways to improve access to benefits for people facing financial shock—such as loss of income—by working to improve underlying eligibility data services and systems. ACF and partner agencies will also continue and expand demonstrations to improve service delivery and to help states adopt leading practices in delivering benefits to ease application burden, lower time to access benefits, and improve cross-enrollment rates. CMS and the Social Security Administration (SSA) will also jointly pilot efforts to improve the Medicare enrollment experience. For people new to Medicare there are other customer service focused improvements that would align income and asset determination processes for Medicare low-income assistance programs, easing administrative burdens for states and removing enrollment barriers for individuals.

The Nonrecurring Expenses Fund permits HHS to transfer unobligated balances of expired discretionary funds into an account for information technology and facilities infrastructure acquisitions necessary for the operations of the Department. Since FY 2013, the fund has allocated over \$6.5 billion in capital investment projects across HHS. For FY 2024, HHS is proposing to use \$650 million from the fund for information technology and infrastructure projects across the Department, including at IHS, NIH, and CDC. These proposed investments will ensure aging systems and facilities do not compromise the Department's ability to carry out its mission.

To support more effective use of health data, the budget also includes \$104 million in Public Health Services Act Evaluation set-aside funds for the Office of the National Coordinator for Health Information Technology (ONC). These funds will support more equitable access to health care data by updating health information technology and data standards for interoperability. ONC will also work to improve the secure exchange of electronic health information between

patients and providers, and lead coordination efforts between key federal and industry partners in health information technology.

HHS values the importance of protecting individuals seeking services from HHS programs, from discrimination based on race, color, national origin, sex, age, disability, and religion. The privacy and security of individuals' health information is a critical part of HHS's work. The FY 2024 budget provides the HHS Office for Civil Rights (OCR) a much needed \$78 million to carry out its important work. OCR is projected to have 80,000 cases in FY 2024, up from about 45,000 in FY 2020, yet its budget authority has been essentially flat over this period, and essentially flat for over a decade. Since FY 2017 OCR has received a 28 percent increase in Health Insurance Portability and Accountability Act of 1996 (HIPAA) complaints, and a 100 percent increase in HIPAA large breach reports, while enforcement staff decreased by 45 percent due to not receiving increases in its annual appropriations.

HHS has also made robust investments in new discretionary and mandatory Health Care Fraud and Abuse Control funding to provide oversight of CMS health programs, strengthen the HHS Office of Inspector General investigations, and protect beneficiaries against health care fraud, yielding a combined return-on-investment of \$19.7 billion over ten years. Our comprehensive program integrity legislative package includes a significant new investment in the mandatory Health Care Fraud and Abuse Control program, expands nursing home oversight, and promotes good governance.

Conclusion

I want to thank the Committee for inviting me to discuss the President's FY 2024 budget for HHS. The budget represents the continued investment in the health, growth, protection, and vitality of the American people. With adequate funding in these critical areas, we can support the forward mobility of our country and continue to make stride towards a brighter future. Thank you for your dedication and partnership in our shared goal to improve the health, safety, and well-being of our nation.