

**TESTIMONY OF SECRETARY XAVIER BECERRA
BEFORE THE SENATE COMMITTEE ON FINANCE
March 22, 2023**

Chair Wyden, Ranking Member Crapo, and Members of the Committee, 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 healthcare; prepare for future public health threats; support unaccompanied children and refugees; protect the health of all Americans; meet the health needs of Indian Country; expand the health care workforce; expand coverage and access to care, including high-quality early childhood education; improve the health and well-being of children, families, seniors, and people with disabilities; advance science to improve health; end cancer as we know it; and promote effective and efficient management and stewardship.

Transforming Behavioral Healthcare

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, 9-11 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

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

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.

Additionally, to help build the behavioral health workforce needed to provide such care and services, the FY 2024 budget expands Medicare coverage of, and payment for, additional behavioral health professional services including those furnished by clinical social workers, peer support workers, and certified addiction counselors.

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 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), the Centers for Disease Control and Prevention (CDC), the 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 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 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 the Health Resources and Services Administration (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 healthcare. The budget provides \$512 million to the Title X family planning program to address the 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 solely dedicated to providing individuals with comprehensive family planning and related preventive health services in communities across the United States.

In 2022, HHS released the Viral Hepatitis National Strategic Plan, which provides a framework to eliminate viral hepatitis as a public health threat in the United States by 2030. The Viral Hepatitis Plan focuses on hepatitis A, hepatitis B, and hepatitis C—the three most common hepatitis viruses that have the most impact on the health of the nation. The Viral Hepatitis National Strategic Plan is the first to aim for elimination of viral hepatitis as a public health threat in the United States. Building on this work, the FY 2024 budget includes \$11.3 billion for a new HHS-wide proposal to establish a five-year national program to significantly expand screening, testing, treatment, prevention, and monitoring for hepatitis C infections. This program would increase access to tests and curative medicines and expand public health efforts, with a net cost of \$5.1 billion over ten years once accounting for health improvements and reduced health care spending. Continuing this work is vital to protecting and improving the lives of Americans who are impacted by this serious disease.

Health Centers provide healthcare services to underserved populations across the country, including low-income patients, ethnic minorities, rural communities, and persons experiencing homelessness. The budget proposes a pathway to doubling the program's funding with a critical three-year down payment on this goal. The FY 2024 budget provides \$7.1 billion for Health Centers, which includes \$5.2 billion in proposed mandatory resources, an increase of \$1.3 billion above FY 2023 enacted. At this funding level, the Health Center Program will provide care for approximately 33.5 million patients.

The FY 2024 budget also makes critical investments to establish Vaccines for Adults program within CDC, as a complement to the successful Vaccines for Children program. The Vaccines for Adults program will begin expanding access to routine and outbreak response vaccines recommended by the Advisory Committee on Immunization Practices for uninsured adults at no cost.

Meeting the Health Needs of Indian Country

HHS is committed to upholding the United States' responsibility to tribal nations by addressing the historic underfunding of the Indian Health Service (IHS). Building on the historic passage of advance appropriations for the IHS in FY 2023, the FY 2024 budget proposes \$8.1 billion in discretionary funding for the IHS Services and Facilities accounts, an increase of \$2.2 billion above FY 2023 enacted. This funding will expand access to healthcare services for 2.8 million American Indians and Alaska Natives, address key operational capacity needs, and modernize outdated facilities and information technology systems. The budget also includes \$1.6 billion in proposed mandatory funding in FY 2024 for Contract Support Costs, payments for Section 105(I) tribal leases, and the Special Diabetes Program for Indians.

Beginning in FY 2025, the budget proposes all IHS resources as mandatory. The budget would automatically grow IHS funding each year to account for inflationary factors, population growth, key programmatic needs, and existing backlogs in both healthcare services and infrastructure

needs. The mandatory funding approach would ensure that the IHS budget grows sufficiently to both address historic underinvestment and expand capacity for increased service provision. It also includes new funding streams to address key gaps, including the lack of dedicated funding for public health infrastructure in Indian Country. HHS firmly believes that mandatory funding is the most appropriate long-term solution to address chronic underinvestment in IHS. The Department will continue consultation with Tribes and working in partnership with Congress to see this important goal realized. While this work is underway, it is critical that Congress continues to provide discretionary advance appropriations to ensure that the critical advancements achieved through enactment of advance appropriations in the FY 2023 Omnibus are not reversed.

Expanding and Retaining the Health Workforce

The health workforce plays a vital role in responding to public health needs. As the demand for healthcare 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 the importance of diversifying the health care workforce to better serve all communities and build a more equitable health care system.

Expanding Coverage and Access to Care

It is ever more crucial to promote the health, safety, and dignity of older adults and people with disabilities, particularly as America's older population increases. The FY 2024 budget makes essential investments to strengthen our nation's long-term care system and invests \$150 billion over 10 years to improve Medicaid home and community-based services, to ensure that more people who are aging and those with disabilities can receive care in their home or community and to strengthen the home care workforce. President Biden also issued a call to action to improve the quality of America's nursing homes, and HHS continues to take action to ensure that older adult nursing home residents receive the highest quality care. The FY 2024 budget includes multiple provisions to strengthen nursing home oversight, transparency, and enforcement, including \$566 million for surveying and inspections. The provisions protect older adult residents by identifying and penalizing nursing homes that commit fraud, endanger patient safety, and/or prescribe unnecessary drugs.

Since the passage and subsequent expansions of the Affordable Care Act, tens of millions of Americans have gained access to quality health insurance through the marketplace. To build on this success, the FY 2024 budget invests in making private insurance even more affordable. This includes new proposals to build on historic progress made in Congress, including a permanent

extension of the enhanced premium tax credits in P.L. 117-169, commonly known as the Inflation Reduction Act. The budget proposes to extend protections from the No Surprises Act to ground ambulances. The FY 2024 budget also provides Medicaid-like coverage to low-income individuals in states that have not expanded Medicaid under the Affordable Care Act, paired with financial incentives to ensure states maintain their existing expansions.

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 to 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. In addition, 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.

The \$400 billion in mandatory funding over 10 years for high-quality child care includes funding for states to serve children ages zero to five for families earning up to \$200,000. It provides higher federal matching funds for child care providers serving low- and middle-income families and allows those families to pay the lowest co-pays – with a goal of ensuring that the lowest income families pay nothing and that most families pay no more than \$10 a day per child, meaning that a median-income family with young children saves about \$400 per month while accessing higher-quality care. The Administration’s proposal enables states to expand access to affordable, high-quality child care to more than 16 million children. This reflects an expectation that all states will choose to adopt the program but, if some states do not, the Administration is committed to serving low-income children through a federal alternative.

The \$200 billion in mandatory funding over 10 years for universal preschool supports free preschool in the setting of a parent’s choice – from public schools to child care providers to Head Start – to support healthy child development and ensure that children enter kindergarten ready to succeed. The proposal provides funding through a federal-state partnership to expand high-quality preschool education to all 4-year-old children, with the flexibility for states to expand preschool to 3-year-olds once high-quality preschool is fully available to 4-year-old children. The proposal also includes funding to provide access to preschool to children in underserved communities in states that do not choose to participate in the new preschool program, so that families in every state have access to high-quality preschool.

To further protect and enhance child well-being, the budget also includes \$4.9 billion in mandatory funding over 10 years for prevention services and kinship navigator programs, \$1.3 billion in mandatory funding over 10 years to give states an incentive to place children with kin, and \$1 billion in mandatory funding over 10 years for support for youth who experienced foster care in transitioning to adulthood.

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. The budget also expands Medicare coverage for nutrition and obesity counseling, and includes a new pilot project on medically tailored meals.

HHS is committed to ensuring that seniors and people with disabilities have the essential resources and services they need. The FY 2024 budget also makes key investments in the Elder Justice Adult Protective Services program. And, to help more older adults and those with disabilities receive care in their home or community. 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 screenings 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 FY 2024 budget includes several investments for FDA to support food programs including \$20 million for the Emerging Chemicals and Toxicology Issues program to streamline regulatory frameworks for food products that may pose chronic risks to human health. Funds support post-market reassessment of previously approved food chemicals and develop approaches to inform and modernize safety assessments using science and risk-based approaches. An additional investment of \$5 million is provided for the 21 Forward food supply chain continuity system, which enables the agency to develop accurate models for situational awareness and forecast the impact of a pandemic, product shortages, or other high-risk threats on the food supply chain. Within medical product safety, the budget dedicates a total of \$59 million to continue efforts that strengthen public health supply chains and promote the availability of medical devices by proactively monitoring, assessing, and communicating risks and vulnerability.

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 with 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 and 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 healthcare quality, the FY 2024 budget includes \$564 million to support AHRQ's research on quality, health costs, and outcomes to make healthcare 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

As federal stewards, it is our duty to ensure that taxpayer dollars are spent appropriately through the delivery of high-quality services, through necessary security, and through strong action to prevent fraud and abuse. To protect against information technology threats, the budget provides an increase of \$88 million above FY 2023 enacted for cybersecurity initiatives in the Office of the Chief Information Officer (OCIO). Due to the increasing frequency of cyber-attacks that impede the delivery of healthcare and leak private patient health information, the ASPR and OCIO budgets have been increased to understand, mitigate, and identify Healthcare and Public Health (MPH) Sector cybersecurity risks, as well as, to prevent, detect, respond, and recover from HPH cyber-attacks.

The budget makes robust investments in the 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 healthcare fraud. Our comprehensive program integrity legislative package and allocation adjustment yields \$19.7 billion in net savings over 10 years. The Office of Civil Rights would receive significant additional funding to address a sharp rise in its caseload, from 45,000 cases in 2020 to a projected 80,000 in 2024. Finally, the budget includes much-needed investment in core infrastructure, oversight, and operations, including in the Nonrecurring Expenses Fund, General Departmental Management, CMS Program Management, and ACL.

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.