

**TESTIMONY OF SECRETARY BECERRA
BEFORE SENATE FINANCE COMMITTEE
June 10, 2021.**

Chairman Wyden and Ranking Member Crapo, and Members of the Committee, thank you for the opportunity to discuss the President’s Fiscal Year (FY) 2022 Budget for the Department of Health and Human Services (HHS). I am pleased to appear before you, and I look forward to continuing to work with you.

HHS is at the center of many challenges facing our country today—the COVID-19 pandemic, safely caring for unaccompanied children at our southern border, the overdose and the addiction epidemic, gun violence, racial inequality, and more—and we are rising to meet those challenges. I am honored to be given the responsibility to lead HHS at this time.

COVID-19 has shed light on how health inequities and insufficient Federal funding can leave communities vulnerable to crises. The President’s Budget invests in America, demonstrates a conscious effort to address racial disparities in health care, tackles the opioid and other drug crises, and puts us on a better footing to take on the next public health crisis.

Now more than ever, we must ensure that HHS has the resources to achieve its mission and tackle these challenges after years of underfunding. The President has put forward a budget that does just that. The FY 2022 budget proposes \$131.8 billion in discretionary budget authority and \$1.5 trillion in mandatory funding. The Labor-HHS total is \$119.5 billion, an increase of \$23 billion. Investments in the budget support families in areas such as behavioral health (mental health and substance use), maternal health, emerging health threats, science, data and research, tribal health, early child care and learning, and child welfare.

To build back a prosperous America, we need a healthy America, and President Biden’s budget builds on that vision while investing in the many programs housed at HHS to save lives.

Preparing for and Responding to Public Health Crises

The fight against COVID-19 is not yet over. Even as HHS works to beat this pandemic, we are also preparing for the next public health crisis. The FY 2022 budget makes significant investments in our preparedness and response capabilities.

The Strategic National Stockpile, within the HHS Office of the Assistant Secretary for Preparedness and Response, has served a critical role in the COVID-19 response, permitting rapid deployment of personal protective equipment, ventilators, and medical supplies to states, cities, tribes, and territories across the country. The budget provides \$905 million for the stockpile, \$200 million above FY 2021, to ensure that the stockpile is ready to respond to future pandemic events and any other public health threats while maintaining a robust inventory of critical medical supplies, enhancing visibility of the domestic supply chain, and modernizing the

stockpile's distribution model. In addition, the budget provides \$823 million, \$227 million above FY 2021, for the Biomedical Advanced Research and Development Authority, which has supported the development of new vaccines, therapeutics, and diagnostics for the COVID-19 response. Additional resources will support improved medical countermeasure platforms that will enable quicker, more effective detection and public health and medical responses to health security threats. The budget also supports a strong public health workforce, and addresses gaps in the existing public health infrastructure, including at the state and local levels. In addition to discretionary investments, the budget includes \$30 billion over four years in mandatory funding for HHS, the Department of Defense, and the Department of Energy to protect Americans from future pandemics and create U.S. jobs through major new investments in medical countermeasures manufacturing; research and development; and related biopreparedness and biosecurity investments.

During this pandemic, we have seen the critical role of the Centers for Disease Control and Prevention (CDC). To ensure that CDC is well positioned to address current and emerging public health threats, the budget restores capacity to the world's preeminent public health agency by investing an additional \$1.6 billion over the FY 2021 level for a discretionary funding total of \$8.7 billion. This is the largest budget authority increase for CDC in almost two decades. A core function of CDC is partnering with state, tribal, local, and territorial entities, and this funding will enhance those partnerships. The budget will also provide CDC with additional resources to further develop and expand teams of highly trained and deployable public health experts to support preparedness at the local level.

The COVID-19 pandemic has also shown the importance of producing reliable data. Bad inputs lead to bad outputs, and without good data, CDC cannot effectively prepare for, or respond to, public health threats and make well-informed decisions to protect the American people. With funding provided in the FY 2022 budget, CDC will build upon previous investments in the data infrastructure to date and continue efforts to modernize public health data collection and analysis nationwide.

Public health threats know no borders, and CDC is working to prevent, detect, and respond to epidemic threats at home and abroad. With CDC experts embedded in countries around the world, CDC is supporting global COVID-19 response by leveraging core public health capacities and relationships built through decades of CDC global health activities. As we continue to confront new and emerging COVID-19 variants, as well as a surge of cases in India, support for CDC's work is even more important. CDC is working closely with U.S. government agencies, ministries of health, and other partners to assist countries in responding to COVID-19, while simultaneously developing and implementing adaptations to interventions for malaria, HIV, and vaccine-preventable diseases. With the President's proposed FY 2022 investments, CDC will not only address preparedness within the United States, but will also support core public health capacity improvements overseas and strengthen global health security by improving our ability to deploy experts internationally and support efforts to prevent, detect, and respond to emerging global biological threats. CDC will invest in global health security and continue to fight health

threats worldwide while simultaneously enhancing domestic preparedness to address threats here at home. Domestic health is increasingly impacted by global factors and CDC's global health security efforts include conducting research to ensure efficient disease response.

The Assistant Secretary for Preparedness and Response (ASPR) and CDC investments complement preparedness activities across HHS including basic and clinical research within National Institutes of Health (NIH) and activities within the Food and Drug Administration (FDA) to advance regulatory science and mitigate potential supply or drug shortages.

While we prepare for future pandemic threats, we are also facing a public health crisis that is already here: violence in our communities. The current public health emergency has shone a light on the issue of domestic and gender-based violence. More than 1 in 4 women and more than 1 in 10 men have experienced contact sexual violence, physical violence, or stalking by an intimate partner and reported significant impacts. The budget provides \$489 million for the Administration for Children and Families (ACF) to support and protect domestic violence survivors, which is more than double the FY 2021 enacted levels. The budget also provides \$66 million for victims of human trafficking and survivors of torture, more than 45 percent above FY 2021 enacted levels.

We have also seen the devastating impact of gun violence in communities across the country. Almost 40,000 people die as a result of firearm injuries in the United States every year, while homicide is the third leading cause of death for people ages 10-24. This is a public health issue, and one that disproportionately impacts communities of color. The budget addresses this crisis by doubling CDC and NIH funding for firearm violence prevention research. The budget provides \$100 million in discretionary funding to CDC to start a new Community Violence Intervention initiative, in collaboration with the Department of Justice, to implement evidence-based community violence interventions at the local level. In addition to the discretionary investment for the Community Violence Intervention initiative, the budget includes a total of \$5 billion in mandatory funding for CDC and the Department of Justice, beginning in FY 2023 and continuing through FY 2029.

The climate crisis has real public health impacts, and the HHS' mission depends on healthy and sustainable environments. HHS thus has a major role to play in the Administration's government-wide effort to tackle this crisis. HHS' investments to combat climate change in the FY 2022 Budget will advance health equity, lay the foundations for economic growth, and ensure that benefits from tackling the climate crisis accrue to tribal communities, communities of color, low-income households, and disadvantaged communities that have been marginalized or overburdened. The budget includes a \$100 million increase in NIH funding to support research aimed at understanding the health impacts of climate change, as well as an additional \$100 million investment in CDC's Climate and Health program to support efforts to understand and identify potential health effects, including children's environmental health considerations associated with climate change and implement plans to adapt to a changing environment. The American Jobs Plan also would invest \$1.5 billion to increase the resilience of hospitals and

critical infrastructure, fund health emergency preparedness cooperative agreements, and build resilience including in relation to the effects of a changing climate.

Caring for all Americans Through Health and Human Services

Central to the HHS mission is the charge to enhance the health and well-being of all Americans. The budget invests in areas across HHS to ensure that we are equitably serving the American people. As Secretary, I will ensure that this focus is fundamental to all of our work.

A critical part of this is investing in civil rights enforcement to ensure that all people receiving services from HHS-conducted or HHS-funded programs, no matter who they are, or where they live, can receive health care free from discrimination.

The FY 2022 Budget makes expanding affordable health care access a priority across Centers for Medicare & Medicaid Services programs. A recently released report titled “Health Coverage Under the Affordable Care Act: Enrollment Trends and State Estimates” shows that the Affordable Care Act (ACA) has expanded health insurance coverage to millions of Americans, and the budget goes even further. It builds on the groundbreaking reforms introduced in the American Rescue Plan Act by extending the enhanced premium subsidies that put affordable health care coverage within reach of millions more Americans. These improvements in the American Rescue Plan Act are lowering premiums for more than nine million current enrollees by an average of \$50 per person per month. In addition, due to the COVID-19 pandemic, an ongoing opportunity to apply for enrollment in Marketplace health care coverage is available on HealthCare.gov through August 15. This extension provides individuals and families a desperately needed opportunity to get quality, affordable health insurance coverage. As of May 10, over 1 million additional Americans have signed up for health insurance through the Marketplace, and an additional 2 million obtained improved benefits through the Marketplace, benefitting from both reduced premiums and more affordable cost sharing.

The FY 2022 Budget also expands access to critical home- and community-based services (HCBS) under Medicaid, critical health care services that allow older people and people with disabilities to live independently in their homes and communities. The budget builds on the additional Medicaid funding included in the American Rescue Plan that not only expands access to these important services but also strengthens state HCBS programs by allowing states to use the additional money to, for example, provide additional benefits, like mental health and substance use services, to beneficiaries, as well as to raise wages and provide paid leave for home care workers.

I look forward to working with the Congress to achieve the Administration’s goal of lower costs and expanded and improved coverage for all Americans. This includes reforms to lower the costs of prescription drugs, such as allowing Medicare to negotiate payment for certain high-cost drugs, and requiring manufacturers to pay rebates when drug prices rise faster than inflation. We will also work to improve Medicare, Medicaid, CHIP, and private insurance coverage, by

pursuing changes such as improving access to dental, hearing, and vision coverage in Medicare, making it easier for eligible people to get and stay covered in Medicaid, promoting Early and Periodic Screening, Diagnostic and Treatment (EPSDT) requirements for eligible youth, and reducing out-of-pocket costs for individuals in private insurance coverage obtained through the Marketplace. The Administration also supports additional public coverage options, including a public option that would be available through the insurance marketplaces. Health care is a right, not a privilege, and I will work to ensure that families across the nation are able to secure this right.

The United States has the highest maternal mortality rate among developed nations, with an unacceptably high mortality rate for Black and American Indian/Alaska Native women. Addressing this critical public health issue is a major priority of this Administration, as evidenced by the American Rescue Plan's state option to extend Medicaid postpartum coverage. Building on HHS's longstanding efforts to improve maternal health, including the Department's recent Medicaid postpartum waiver approvals, the budget provides more than \$220 million in discretionary funding to reduce maternal mortality and morbidity by implementing evidence-based interventions to address critical gaps in maternity care service delivery and improve maternal health outcomes. This includes increased funding to CDC's Maternal Mortality Review Committees and the Health Resources and Services Administration's (HRSA) Rural Maternity and Obstetrics Management Strategies program. HRSA also prioritizes maternal health through its Title V Maternal and Child Health Block Grant and Alliance for Innovation on Maternal Health programs. As with all our public health work, collecting good data will be critical. In addition to these discretionary resources, the budget includes \$3 billion in mandatory funding over five years, to invest in maternal health and reduce the maternal mortality rate and end race-based disparities in maternal mortality.

HRSA's work is central to our focus on serving all Americans, given their mission to improve health outcomes and address health disparities. HRSA-funded Health Centers provide access to care for low-income and marginalized populations, and they serve 1 in 11 people in the nation. The President's Budget increase to workforce diversity programs, highlights HRSA's commitment to supporting health care providers dedicated to working in underserved areas and building toward a workforce that reflects the communities it serves and is able to provide culturally relevant care.

The budget provides \$670 million across HHS to continue efforts to end the HIV epidemic in the United States by working closely with communities that have high rates of HIV transmission to implement effective prevention, diagnosis, and treatment strategies, including ones that address the disproportionate impact of HIV and Hepatitis C infections in Tribal communities. HHS programs have already made major progress in combating the HIV epidemic. HRSA ensures equitable access to services and supports for low-income people with HIV through Health Centers as well as the Ryan White HIV/AIDS Program. In 2019, 88.1 percent of those served under the Ryan White HIV/AIDS Program had achieved viral suppression, a record level that

exceeds the national average of 64.7 percent. HHS will build on this work to end the epidemic once and for all.

Also, directly connected to the HHS mission is the need to provide access to high-quality care, no matter where you live. HHS will continue to focus on the unique needs of rural communities. HHS administers a range of programs that address rural health, from those that serve large populations such as Health Centers, to those serving targeted populations such as the Black Lung Clinics Program. The FY 2022 budget serves active, inactive, retired, and disabled coal miners and their families through high-quality medical, outreach, educational, and benefits counseling services. It also provides funding to increase the number of individuals receiving training and serving in health professions in rural communities, as research has shown that providers are likely to remain in the communities where they train as residents.

HHS will also address the stark health disparities that persist in Tribal communities by investing in the Indian Health Service (IHS), which serves over 2.6 million American Indians and Alaska Natives. The COVID-19 pandemic's devastating impact on Tribal communities has demonstrated the real human toll of these disparities. The budget provides a \$2.2 billion, or 36 percent, increase for IHS in order to take a historic step to address chronic underfunding, expand access to high-quality health care, and address critical facilities and information technology infrastructure deficiencies across Indian Country. For the first time, the budget also proposes advance appropriations for IHS to provide stability for the Indian Health system and parity with how other Federal health agencies are funded. I am committed to strengthening the Nation-to-Nation relationship between the United States and Indian Tribes. To this end, the budget supports self-determination through a consultative process to consider long-term solutions, including mandatory funding, to ensure adequate and stable funding for IHS.

The budget also provides an 18.7 percent increase to the Title X Family Planning program to improve access to vital reproductive and preventive care and to advance gender equity. Over the last two years, nearly half of the programs supported by Title X lost providers as a result of the 2019 regulation which added burdensome restrictions inconsistent with quality care guidelines and ultimately resulted in many highly qualified, longstanding healthcare entities to exit Title X. The budget allows Title X to not only restore highly qualified providers, but also to expand its essential services to meet increased demand as a result of the global pandemic and resulting recession. In 2019, Title X-funded clinics served almost 3.1 million Americans, 66 percent of whom had incomes at or below the federal poverty level and 41 percent of whom were uninsured. This is nearly 1 million fewer people served than in 2018.

Investing in Children's Futures

Our experiences as children shape the adults we become, and support in childhood can mean success in the future. As Frederick Douglass wrote, "It is easier to build strong children than to repair broken men." High-quality early care and education lay a strong foundation so that children can take full advantage of education and training opportunities later in life. The

American Jobs Plan and the American Families Plan invest in school and child care infrastructure and workforce training, and ensure that low and middle-income families pay no more than 7 percent of their income on high-quality child care. These investments include \$200 billion over ten years for a national partnership with states to offer free, high-quality, accessible, and inclusive preschool to all three- and four-year-olds, benefitting five million children. The budget also invests \$250 billion over ten years to make child care affordable.

The budget also provides \$19.8 billion in discretionary funding for the Department's early care and education programs in ACF, \$2.8 billion over FY 2021 enacted. This includes \$11.9 billion for Head Start, which helps young children enter kindergarten ready to learn. Head Start programs deliver services through 1,600 agencies in local communities, and they provide services to more than a million children and pregnant women every year, in every U.S. state and territory. In addition, the budget provides \$7.4 billion for the Child Care and Development Block Grant, \$1.5 billion over FY 2021 enacted, to expand access to high-quality child care for families in all corners of the country. Over a million children receive child care subsidies every month funded by the Child Care and Development Fund, and nearly half of the families receiving child care subsidies reported income below the Federal Poverty Level. These investments will improve outcomes for children across the country.

The budget also invests in improvements to the child welfare system, particularly to address its racial inequity. The budget provides \$100 million in new competitive grants for states and localities to advance reforms that would reduce the overrepresentation of children and families of color in the child welfare system and address the disparate experiences and outcomes of these families. This funding will also give more families the support they need to remain safely together. The budget also provides \$200 million for states and community-based organizations to respond to, and prevent, child abuse, over 30 percent above FY 2021 enacted.

Combating Mental Health and Substance Use Crises

HHS must address the public health crises associated with mental health and substance use disorders. This need is especially urgent given that both crises have accelerated during the COVID-19 pandemic. Calls to mental health helplines have increased across the country as Americans struggle with increased anxiety, depression, risk of suicide, and trauma-related disorders resulting from the pandemic. Younger adults, racial minorities, essential workers, and unpaid adult caregivers are particularly impacted. Similarly, preliminary data from 2020 suggests that overdose deaths, which were already increasing, accelerated at an unprecedented rate during the pandemic. Provisional data suggest that over 90,000 drug overdose deaths occurred in the United States in the 12 months ending in September 2020. That represents a year-over-year increase of close to 29 percent.¹ This crisis is also evolving—overdose deaths

¹ Centers for Disease Control and Prevention. (2021). Vital Statistics Rapid Release: Provisional Drug Overdose Death Counts. Retrieved May 6, 2021 at <https://www.cdc.gov/nchs/nvss/vsrr/drug-overdose-data.htm>

involving substances other than opioids are also increasing. HHS will ensure that our work is responsive to the needs of communities across the country.

The budget addresses these crises through investments in the Substance Abuse and Mental Health Services Administration.

In a historic investment, the budget provides \$1.6 billion to the Community Mental Health Services Block Grant to respond to the systemic strain on our country's mental health care system—more than double the FY 2021 level. To address the undeniable connection between the criminal justice system and mental health, the discretionary request will also invest in programs for people involved in the criminal justice system. HHS will also focus on the behavioral impact of COVID-19, including on children. When children and young people face Adverse Childhood Experiences (ACEs) such as trauma, it can continue to affect them across their lifespan, so it is critical we intervene now to support their social, emotional, and mental well-being.

The budget also takes action to address addiction and the overdose epidemic, investing \$11.2 billion across HHS, \$3.9 billion more than in FY 2021, including \$3.5 billion for the Substance Abuse Prevention and Treatment Block Grant, which has historically failed to keep up with increases in the cost of providing substance use care to America's neediest citizens. For the first time, the budget includes a 10 percent set aside for recovery support services, a critical step for building and sustaining the nation's recovery support services infrastructure. The Block Grant remains a critical source of funding for states, tribes, and territories to provide prevention, treatment, and recovery support services to their citizens. The impact of this epidemic is felt in our communities, and the budget will direct funding to states and Tribes to increase community-level response. The budget will also increase access to medications for opioid use disorder and expand the behavioral health provider workforce, particularly in underserved areas. I greatly appreciate the investments the American Rescue Plan Act provided to the Substance Abuse Prevention and Treatment Block Grant, Mental Health Block Grant, and Certified Community Behavioral Health Centers, and HHS will continue to build on these efforts.

Promoting Biomedical Research

HHS' work is responsible for major scientific breakthroughs, and we are committed to supporting innovative science and research in order to advance the health and well-being of our nation. As the world's premier biomedical research agency, NIH will continue to be at the forefront of scientific advancements. The budget includes \$52 billion for NIH, a \$9 billion increase or 21 percent increase over FY 2021 enacted. Included in this increase is \$6.5 billion to establish the Advanced Research Projects Agency for Health (ARPA-H). With an initial focus on cancer and other diseases such as diabetes and Alzheimer's, this major investment in Federal research and development will leverage ambitious ideas to build transformational platforms, capabilities, and resources to speed the application and implementation of health breakthroughs and shape the future of health and medicine in the U.S.

This bold new approach will complement NIH's existing research portfolio, which is a vital contributor to longer and healthier lives, supports and trains world-class scientists, and drives economic growth. Outside of ARPA-H, the remaining \$2.5 billion increase will allow NIH to continue investing in basic research and translating research into clinical practice to address the most urgent challenges, such as HIV/AIDS and ending the opioid crisis.

Restoring America's Promise to Refugees

HHS plays a critical role in promoting the wellbeing of those seeking refuge or relief in the U.S. The FY 2022 budget provides over \$4.4 billion to the Office of Refugee Resettlement (ORR) – an increase of over \$2.5 billion above FY 2021 enacted. This funding would allow ORR to support an increase in the refugee admissions ceiling to 62,500 this fiscal year and to continue to rebuild the resettlement infrastructure in order to resettle up to 125,000 refugees in FY 2022.

This funding increase also reflects a commitment to ensuring that unaccompanied children are provided with care and services that align with child welfare best practices while they are in ORR's custody, and unified with relatives and sponsors as safely and quickly as possible. Despite significant challenges posed by COVID-19 and policies from the previous administration, HHS is humanely caring for unaccompanied children while working to unite them with a vetted sponsor. Working across government and in close partnership with the Department of Homeland Security, we have substantially increased our ability to quickly facilitate the transfer of children out of U.S. Customs and Border Patrol custody and into child-appropriate settings, including with fully vetted sponsors.

Funding Core Program Operations

It is simply not possible to meet the HHS mission and address all these key changes without sufficient funding to cover our operational needs. The FY 2022 budget invests to bolster operations. It 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 magnitude of HHS's work—and the taxpayer dollars used to fund it—it is critical that we ensure that our funds are used appropriately. The budget invests in program integrity, including efforts to combat fraud, waste, and abuse in Medicare, Medicaid, and Private Insurance.

Conclusion

I want to thank the Committee again for inviting me to discuss the President's FY 2022 Budget for HHS, which offers a comprehensive fiscal vision for the nation that reinvests in America's

health, supports future growth and prosperity, and meets U.S. commitments in a fiscally sustainable way. I look forward to continuing to show how HHS helps fulfill that vision.