

STATEMENT OF
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NOMINEE FOR
DEPUTY SECRETARY
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

BEFORE THE
COMMITTEE ON FINANCE
UNITED STATES SENATE

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Mr. Chairman, Senator Baucus, and members of the Committee: thank you for inviting me to discuss my nomination to become Deputy Secretary of Health and Human Services.

I am humbled by the nomination, and grateful to President Bush and Secretary Leavitt for providing me with this opportunity to continue to serve. I am also thankful to former Secretary Thompson for his leadership while I served as General Counsel of the U.S. Department of Health and Human Services for the past four years.

As General Counsel, I supervise approximately 450 attorneys and 90 other professionals in 18 offices around the country. I will forever be grateful for the dedication, loyalty, and superb work of the lawyers and staff of the Office of the General Counsel. We provide advice, counsel, and litigation support to the entire Department, including its more than 300 programs, which touch the lives of every American. As General Counsel, I have also served as a member of the senior leadership of the Department and as the chief legal advisor to both former Secretary Thompson and now Secretary Leavitt.

Our mission in the Office of the General Counsel is to assist the President and the Secretary in fulfilling their priorities for HHS and to support the work of the entire Department. We have worked to integrate the office's operations into "One OGC" to assist the Secretaries in their efforts to create "One HHS." We have created a detailed leadership development program, so that we can effectively manage human capital at a time of ever increasing baby-boomer retirements among our career leadership ranks. We

put considerable effort into providing our more junior attorneys with the training, supervision, and development opportunities they need to become the next generation of leaders. We are also working to enhance our knowledge management efforts to ensure that we operate in the most efficient way possible, avoiding duplication of effort and allowing our attorneys to better, faster, and more efficiently deliver service to our clients. I am very proud of the esprit de corps, professionalism, and highest quality legal service delivery of the Office of the General Counsel.

The past four years have been a historic time for HHS, and the Department is better prepared than ever to respond to terrorist attacks or any other public health emergency. We have faced the unprecedented public health challenges of September 11, the anthrax attacks, smallpox preparedness, monkeypox, SARS, and avian influenza. We have endeavored to enhance food safety and worked with Congress to pass the historic Bioterrorism Preparedness Act, which granted FDA critical new authorities to protect our Nation's food supply. Thanks to the bipartisan efforts of this Committee and the President, Congress passed the most historic changes to the Medicare program in 40 years, providing critical new benefits and options to seniors and people with disabilities. The Department and Congress worked together to reform key elements of the generic drug approval process to speed approval of cheaper generic drugs, saving consumers \$35 billion over ten years. The Nation has appropriately become focused on patient safety and quality of care, and we have begun efforts to improve both. The promise of health information technology has captured the public's imagination, and we have started down the path toward every American having the option of an electronic health record in ten

years. Drug use among schoolchildren is at record lows. The nation is spending more on medical research than at any time in history. More community health centers are providing more and better care to more needy Americans than ever before. A record number of children are receiving health care. The United States is the unquestioned leader in fighting AIDS around the world.

The next four years promise to be similarly historic for HHS, as we implement Medicare Modernization, protect our Nation against possible bioterrorist attacks and emerging infectious diseases, advance patient safety and health information technology, help all Americans have the opportunity to purchase or secure health insurance, and fulfill the President's management agenda so that HHS serves the American public more effectively and efficiently. If confirmed as Deputy Secretary, I would look forward to the challenge and opportunity to serve with Secretary Leavitt in carrying out the work that President Bush has laid out for us. I also would appreciate the chance to work with this Committee as we strive together to advance the public health and welfare.

Thank you very much for having me here today, and I would be pleased to answer any questions you may have.