FY21 President’s Budget Proposal

A Public Health Snapshot
Feb. 11, 2020

Recently the White House released President Trump’s FY21 proposed budget, “A Budget for America’s Future.” The budget outlines the Administration’s funding priorities for the upcoming fiscal year. Congress has the authority to approve, reject, or modify the budget’s recommendations. It is important to note that Congress has rejected the deep cuts and program eliminations proposed in the last three budget submissions. In fact, last night Senator Enzi (R-WY) stated, “Congress doesn’t pay attention to the president’s budget exercise.” ASTHO expects these level of cuts will once again be rejected by Congress.

ASTHO issued a statement in response to the FY21 President’s budget proposal.

In reviewing the budget documents, some of the FY20 funding levels included in the President’s budget request do not match the funding levels included in the final FY20 Labor, Health and Human Services, and Education Appropriations bills. Therefore, it was impossible for ASTHO to conduct a detailed analysis. State and territorial health officials should view the HHS budget in brief for details and additional information about these programs is included in the Congressional justifications hyperlinked below:

- Centers for Disease Control and Prevention (CDC)
- Health Resources and Services Administration (HRSA)
- Substance Abuse and Mental Health Services Administration (SAMHSA)
- Assistant Secretary for Preparedness and Response

ASTHO developed a high-level summary document which can be viewed below.

The budget also proposes to: “Move the Center for Tobacco Products out of the Food and Drug Administration (FDA) and create a new agency within HHS to focus on tobacco regulation. This new agency would be led by a Senate-confirmed Director in order to increase direct accountability and more effectively respond to this critical area of public health concern. A new agency with the singular mission on tobacco and its impact on public health would have greater capacity to respond strategically to the growing complexity of new tobacco products. In addition, this reorganization would allow the FDA Commissioner to focus on its traditional mission of ensuring the safety of the Nation’s food and medical products supply.” This proposal would require authorizing legislation from Congress and it is unclear if this would gain any traction.

If you have any questions or require additional information, please contact a member of ASTHO’s government affairs team Carolyn Mullen or Jeffrey Ekoma.
Centers for Disease Control and Prevention
Proposed Reductions in Funding

**Total Funding:** The President’s budget proposes a $700 million reduction from FY20 for CDC overall.

**Preventive Health and Health Services Block Grant:** The budget proposes elimination of the Block Grant. This has been proposed in the past and Congress rejected it.

**Chronic Center:** The budget proposes to cut $426 million (a 34 percent reduction) from the chronic center through program eliminations including Racial and Ethnic Approaches to Community Health (REACH), Million Hearts, National Early Child Care Collaboratives, and Hospitals Promoting Breastfeeding. The budget also consolidates programs and creates a $350 million America’s Health Block Grant. It is important to note Congress rejected the proposal to create the America’s Health Block Grant for the previous three years and they are expected to reject it again.

**Prevention and Public Health Fund:** The budget request includes an approximate $894 million in funding from the Prevention and Public Health Fund (PPHF) to fund various programs throughout the CDC. The proposed America’s Health Block Grant is fully funded by the PPHF.

**Preparedness and Response:** The budget proposes to cut $25.2 million from the preparedness and response which includes an elimination of the academic centers for public health preparedness. The proposal also level funds the Public Health Emergency Preparedness Cooperative agreements at $675 million.

**Emerging and Zoonotic Infectious Diseases:** The budget proposes to cut $85.3 million for Emerging Infectious Diseases, Food Safety, and Antibiotic Resistance. The request also proposes reductions by approximately $40 million for epidemiology and laboratory capacity. The budget also proposes a decrease for healthcare-associated infections, as well as program eliminations for Prion Diseases and Chronic Fatigue Syndrome.

**Environmental Health:** Proposes a $31.9 million reduction in funding for environmental health activities and proposed program eliminations for Trevor’s Law, Climate and Health, and the Amyotrophic Lateral Sclerosis Registry. The FY21 request reduces funding for Asthma, Environmental Health Laboratory, Environmental and Health Outcome Tracking Network, and other Environmental Health Activities.

**Data and Surveillance:** Includes $30 million total to support the Public Health Data Modernization Initiative, a multiyear strategy transforming how CDC collects and uses data to drive action in real time—efficiently, flexibly, rapidly, and with enhanced impact. However, the budget also proposes to cut $57.5 million from Public Health Scientific Services which reduces funding for the National Center for Health Statistics (NCHS), as well as the funds that support the public health workforce, surveillance, epidemiology, and informatics.

**Infectious Diseases Rapid Response Reserve Fund:** The budget proposes $50 million total for the Infectious Diseases Rapid Response Reserve Fund to allow CDC to initiate timely and effective response to infectious disease emergencies, as necessary.
CDC
Proposed Increases in Funding

**Drug Free Communities**: The budget appears to move the $100.0 million for Drug Free Communities (DFC) from the Office of National Drug Control Policy (ONDCP) and SAMHSA administered the program to CDC. According to the budget text, “CDC will effectively and efficiently manage these innovative programs, building on its promise of strengthening community coalitions and connecting them to other CDC state, local, territorial, and tribal substance abuse prevention programs.”

**Ending the HIV Epidemic**: The budget proposal includes $231 million above FY20 for the second year of the Ending the HIV Epidemic initiative. In FY21, an increased investment will enable CDC to support a ramp up of activities in 57 jurisdictions (48 counties; Washington D.C.; San Juan, Puerto Rico; as well as 7 states that have substantial rural HIV burden). With this additional funding, programs in each jurisdiction will be scaled up according to their local plans.

**Influenza Planning and Response**: The budget includes a proposed increase of $40 million above to support implementation of the activities outlined in the September 2019 Executive Order on Modernizing Influenza Vaccines in the United States to Promote National Security and Public Health.

**Infectious Diseases and the Opioid Epidemic**: The budget proposes a $48 million increase for Infectious Diseases and the Opioid Epidemic. This increase will expand activities begun in FY19 and continued in FY20 to target the infectious disease consequences of the opioid epidemic including HIV, viral hepatitis, and bacterial and fungal infections.

**Public Health and Social Services Emergency Fund (PHSSEF)**

**Strategic National Stockpile**: The FY21 budget for the Strategic National Stockpile is level with FY20. The FY21 budget request prioritizes funding for SNS’s smallpox and anthrax portfolios. Investments in products in these portfolios protect Americans by supporting life-saving medical countermeasures where there is little to no commercial market, including smallpox vaccine and anthrax therapeutics. In addition, ASPR will make investments across a spectrum of high-priority threats.

**Hospital Preparedness Program (HPP)**: The FY21 President’s Budget for the Hospital Preparedness Program is $18 million below the FY20 Enacted level. Within the total, $231.5 million is provided for HPP formula-based cooperative agreements to states, territories, and freely associated states, the District of Columbia, and three high-risk political subdivisions. This funding will be distributed across all 62 awards. Funds also support TRACIE, ECCC, the Recovery program, CIP, and HPP administration and performance evaluation and oversight. The FY 2021 President’s Budget does not include continued funding for the RDHRS pilot projects.

**Office of the Secretary (HHS)**

**U.S. Public Health Service Commissioned Corps**: The budget provides $5 million, within the Office of the Assistant Secretary for Health (ASH), to continue implementation of the Ready Reserve of the United States Public Health Service Commissioned Corps. The Ready Reserve would provide surge capacity for public health emergencies, deploy in response to a public health emergency, and/or backfill critical positions left vacant during Regular Corps deployments. The budget also requests $10 million to support the development of an integrated program and deployment of U.S. Public Health Service Commissioned Corps officers to provide services or assistance to unsheltered homeless individuals in impacted cities.
The request also includes +$1,000,000 to support a readiness and training program to prepare the Corps for complex missions both domestically and internationally.

**HRSA**

**Total Funding:** The President’s budget requests $6.3 billion for the Health Resources and Services Administration (HRSA), which represents a $704 million decrease from FY20. The request also proposes a $54 million cut to Rural Health Flexibility Grants.

**Health Centers and Free Clinics:** Proposes an additional $102.06 million for Health Centers to serve approximately 28.6 million patients in FY21. The Budget includes $137 million for approximately 500 health centers in the Phase 1 targeted areas to provide prevention and treatment services to people at high risk for HIV transmission, including Pre-Exposure Prophylaxis (PrEP)-related services, outreach, and care coordination.

**HIV/AIDS:** Proposes an increase of $95 million for a comprehensive system of HIV primary medical care, medications, and essential support services for low-income people living with HIV. The request also includes $165 million for the second year of the Ending HIV Epidemic Initiative. The additional resources will support HIV care and treatment services in identified jurisdictions. Funding will also support evidence-informed practices to link, engage, and retain people with HIV in care.

**Maternal and Child Health (MCH):** Provides an increase of $73 million for the MCH Block Grant, which will provide $68 million for the HHS-wide Improving Maternal Health in America Initiative and fund additional State Maternal Health Innovation grants.

**Rural Health:** Requests $12 million for the Rural Maternity and Obstetrics Management Strategies (RMOMS) program to support maternal health needs in rural communities.

**SAMHSA**

**Total Funding:** The President’s budget requests $5.742 billion for the Substance Abuse and Mental Health Services Administration, which represents a $124 million decrease from FY20.

**State Opioid Response Grant:** The budget request includes $1.59 billion for the State Opioid Response Grant. This program aims to address the opioid crisis by increasing access to medication-assisted treatment using the three FDA-approved medications for the treatment of opioid use disorder, reducing unmet treatment need, and reducing opioid overdose related deaths through the provision of prevention, treatment and recovery activities for opioid use disorder (OUD) (including prescription opioids, heroin and illicit fentanyl and fentanyl analogs). Funding was established to award grants to states and territories via formula.

- **Set-Asides:** The program also includes a 15 percent set-aside for the 10 states with the highest mortality rates related to drug overdose deaths. The program also includes a $50 million set-aside for tribes. SAMHSA continues to support the expansion of the use of this funding to provide states flexibility to address their greatest need.
Community Mental Health: The budget request includes $757.6 million for the Community Mental Health Services Block Grant. Funds for this program are used to address the needs of adults with serious mental illness (SMI) and children with serious emotional disturbances (SED).

- **Set Asides:** The program includes a 10 percent set-aside for evidence-based programs that address the needs of individuals with early serious mental illness, including psychotic disorders. The set-aside helps reduce costs to society, as intervening early helps prevent deterioration of functioning in individuals experiencing a first episode of serious mental illness.

Tribal Behavioral Health Grants: The budget request includes $40 million to support new and continuing grants that promote mental health and prevent substance misuse activities for high-risk American Indian/Alaska Native youth and their families.

Fighting HIV/AIDS: The budget request includes $116 million for grants to community-level entities, tribes, and tribal organizations to reduce domestic HIV transmission and support those with HIV/AIDS. This will support new substance abuse prevention grants for an additional 17 counties, states, and territories.

USDA

*(Note this summary was provided by the National WIC Association)*

WIC: The President’s budget recommends funding at $5.5 billion, a $500 million decrease from FY20 levels. The White House justifies this decrease by citing reduced caseload, estimating that only 6.2 million participants will access WIC in 2021. The President’s Budget also rejects the expansion of WIC’s Breastfeeding Peer Counselor Program that was included in the spending deal passed in December. Instead of supporting funding at $90 million, the President’s Budget calls for a return to the $60 million funding levels last seen in FY19.