SENATE LABOR-H REVIEWS PRESIDENT’S FY 23 BUDGET REQUEST FOR HHS

EXECUTIVE SUMMARY

Today, the Senate Appropriations subcommittee on Labor, Health and Human Services, Education, and Related Agencies held a hearing with Department of Health and Human Services (HHS) Secretary Xavier Becerra to discuss President Biden’s fiscal year (FY) 2023 budget request (TRP analysis). In late March, the Biden administration released its FY 2023 request, which includes $127 billion in discretionary funding and $1.7 trillion in mandatory funding for HHS and its agencies — an overall increase in funding for the Department.

Throughout the duration of the hearing, members inquired about proposals related to expanding access to health care — particularly through the Affordable Care Act (ACA) — as well as funding for substance use disorder (SUD) and mental health prevention and treatment services. With regard to such services, Secretary Becerra asserted that HHS is planning to expand access to Certified Community Behavioral Health Clinics (CCBHC) and highlighted funding provisions within the President’s FY 2023 request aimed at implementing this expansion. Members additionally questioned the Secretary on HHS’ commitment to pandemic preparedness and response, where bipartisan concern over the dwindling Strategic National Stockpile (SNS) arose.

OPENING STATEMENTS

Chair Patty Murray (D-WA) discussed the need for funding for women’s health programs — namely Title X — and Roe v. Wade abortion protections following the recently leaked U.S. Supreme Court opinion which suggests that the high court is poised to overturn the decades-old case. The Chair called for emergency COVID-19 funding for tests, treatments, and vaccines, stressing the need for allocated funding towards future pandemics. Chair Murray additionally advocated for an increase in funding amounts for mental health and SUD programs, specifically pointing towards the need for such funding for children’s mental health programs. Continuing on the theme of adolescent care, the Chair stressed the need to ensure equitable access to child care across the U.S.

Ranking Member Roy Blunt (R-MO) highlighted the need for additional COVID-19 funding to ensure access to vaccines, treatments, and testing, additionally calling for the approval of a COVID-19 vaccine for children under the age of five. The Ranking Member additionally pointed towards the need for a whole-of-government preparation for another surge in COVID-19 cases. While he expressed his support for the Advanced Research and Projects Agency for Health (ARPA-H), Ranking
Member Blunt voiced concern over funding for the proposed agency whilst no funding was requested for the National Institutes of Health (NIH), which he believes will stifle the work of the NIH.

**WITNESS TESTIMONY**

**Hon. Xavier Becerra**, Secretary of HHS, began by addressing the recent news surrounding *Roe v. Wade* abortion protections and assured senators that the Administration plans to double down on its authorities to ensure that individuals retain access to reproductive health care services, including abortion. Secretary Becerra additionally touted the Biden administration’s successes in health care access and COVID-19 preparedness and response broadly, further highlighting the President’s commitment to improving and expanding mental and behavioral health services.

**DISCUSSION AND QUESTIONS**

*Health Care Access*
- In response to Chair Murray, Secretary Becerra explained that several provisions in the HHS budget request — namely, efforts to improve maternal health and mortality and increase the number of days in which a woman is entitled to postpartum care — would bolster the health and wellbeing of minorities and women of color.
- **Sen. Tammy Baldwin (D-WI)** called for passage of the Women’s Health Protection Act of 2021 (*S. 1975*) and expressed her support to end the filibuster if necessary in order to do so.
- Chair Murray inquired about details of the “whole-of-government response” promised by President Biden to defend the right to abortion, to which Secretary Becerra touted the: (1) establishment of HHS’ Reproductive Health Care Access Task Force in an effort to bolster access to women’s health care; (2) expansion of services, such as Title X; and (3) coordination with other federal government entities to ensure that women are granted the “right to care that they are entitled to.” **Sen. Jeanne Shaheen (D-NH)** expressed similar concerns over maintaining *Roe v. Wade* abortion protections.
- In discussing ‘junk’ health insurance plans — short-term, limited-duration insurance plans — Sen. Baldwin questioned when the Administration plans to take action to address these plans. Secretary Becerra asserted that HHS is in the midst of rulemaking on the subject.
- Sen. Shaheen stressed the need to provide a continuation of the ACA’s premium tax credits (PTCs) after their expiration in December of 2022, to which Secretary Becerra highlighted the President’s proposals — namely in the Build Back Better Act (BBBA) — to ensure that the PTCs are extended.

*Mental Health and SUD*
- **Sen. Joe Manchin (D-WV)** touted his Life Budgeting for Opioid Addiction Treatment Act (*S. 1723*), which would impose an excise tax on the sale of any active opioid to provide and expand access to substance use treatment. The bill additionally provides block grants for substance use treatment programs.
• **Sen. Jack Reed (D-RI)** stressed the need to ensure that the 988 hotline is implemented consistently and effectively across the country, to which Secretary Becerra explained that HHS is in constant contact with the Governors of each state to ensure that the hotline is carried out to its maximum capacity.

• Secretary Becerra committed to working with Sen. Baldwin to ensure that her home state is utilizing the resources allocated by the federal government to implement the 988 hotline at its full capacity.

• With regard to the Substance Abuse and Mental Health Services Administration’s (SAMHSA) mental health initiatives, Ranking Member Blunt raised concern over: (1) new offices erected within SAMHSA in the recent weeks and the lack of funding in the President’s budget request allocated to them; (2) prevention efforts which the Ranking Member believes have morphed into harm reduction efforts at his dismay; and (3) safe injection sites under the guise of prevention. Secretary Becerra explained that the reorganization of SAMHSA will not directly impact the budget as the agency intends to work with already allocated funding, adding that the reorganization was carried out as a means to reflect the President’s priority on behavioral health.

• In discussing SUD and the [State Opioid Response Grants](#), Secretary Becerra committed, to Sen. Shaheen, to ensuring that changes in New Hampshire’s ranking in overdose deaths do not result in large-scale reductions in this funding.

• Chair Murray questioned what HHS plans to do to combat illicit opioid use, to which Secretary Becerra explained that the Department is placing increased focus on prevention and treatment efforts in addition to harm reduction and follow-up services.

• Chair Murray questioned how the Administration’s proposal to allow states to use ten percent of their Mental Health Block Grant funding for prevention and early intervention programs would aid in alleviating youth mental health challenges. Secretary Becerra asserted that HHS is planning to expand access to CCBHCs and highlighted funding provisions within the President’s FY 2023 request aimed at implementing this expansion.

**Pandemic Preparedness and Response**

• In response to Chair Murray, Secretary Becerra clarified that the U.S. possesses a limited supply of COVID-19 vaccines and stressed the need for Congress to allocate additional COVID-19 funding to allow the U.S. to replenish the SNS.

• Secretary Becerra explained that the Food and Drug Administration (FDA) is prepared to approve a safe and effective COVID-19 vaccine for children under the age of five when it receives a completed application.

• Sen. Manchin inquired about efforts that HHS has made to confront supply chain challenges surrounding medications which arose as a result of the COVID-19 pandemic. Secretary Becerra pointed towards the Administration’s use of the [Defense Production Act](#) as a means to reinforce and expand the U.S.’ supply chain.

• **Sen. Cindy Hyde-Smith (R-MS)** discussed shortcomings within the Countermeasures Injury Compensation Program (CICP), specifically pointing towards a “lack of transparency and clarity” in this process. Secretary Becerra explained that some individuals who have been vaccinated for COVID-19 are experiencing Long COVID, noting that the Biden administration
is “doing everything that it can” to provide these individuals with the support needed to overcome Long COVID. He suggested that the CICP is an arduous process as it aims to ensure that no fraudulent claims for aid are fulfilled.

- In response to **Sen. Jerry Moran (R-KS)**, Secretary Becerra committed to prioritizing and fully stocking the biodefense supplies maintained by the SNS.
- In response to Sen. Baldwin, Secretary Becerra committed to prioritizing personal protective equipment manufactured in the U.S. when replenishing the SNS.

**Other Topics**

- Ranking Member Blunt expressed his support for the ARPA-H and questioned HHS’ decision to house the proposed agency under the NIH. Secretary Becerra clarified that the agency would function similarly to The Defense Advanced Research Projects Agency (DARPA) and would solely be housed under NIH for administrative functions.
- In discussing the current organ transplant system, Sen. Moran questioned what steps HHS intends to take to increase competition for potential organ procurement and transplant network contractors. Secretary Becerra noted efforts to increase organ supply, ensure fair distribution of these organs, and make the process more transparent as a whole. Secretary Becerra committed to working with Sen. Moran — and any relevant stakeholders — on this issue and encouraged these parties to engage in conversation with HHS on the matter.
- Sen. Moran questioned why Health Resources and Services Administration (HRSA) is unwilling to reconsider its methodology for provider relief funding (PRF) for new hospitals. Secretary Becerra explained that, prior to 2021, HRSA was required to use a formula to distribute PRF which relied on past performance, thus rendering it impossible to distribute these funds to new hospitals as the data required did not exist. Secretary Becerra noted that this formula has since been changed to account for this error but, with an absence of funding for the PRF, such hospitals are still unable to receive aid.
- **Sen. Mike Braun (R-IN)** communicated his belief that gender affirming drugs have not been proven safe or effective for young people and questioned whether off-label prescriptions for usages not approved by the FDA are potentially dangerous for patients — specifically with a focus on children. Secretary Becerra asserted that the FDA would raise alarm if it learned that a particular medicine or treatment was being misused.