



## DEPARTMENT OF HEALTH AND HUMAN SERVICES

The Department of Health and Human Services (HHS) is responsible for protecting the health and well-being of Americans through its research, public health, and social services programs. The President's 2024 Budget for HHS: expands access to quality, affordable healthcare while lowering costs; dramatically improves access to early care and learning; advances the Cancer Moonshot; transforms behavioral healthcare; prepares for future pandemics; bolsters maternal health; advances health equity; transforms child welfare; combats hunger and improves nutrition and food safety; and supports rural health.

The Budget requests \$144 billion in discretionary budget authority for 2024, a \$14.8 billion or 11.5-percent increase from the 2023 enacted level, excluding Contract Support Costs and Indian Self-Determination and Education Assistance Act of 1975 Section 105(l) lease amounts requested for the Indian Health Service (IHS), which the Budget proposes to shift from discretionary to mandatory funding.

### The President's 2024 Budget:

- **Expands Access to Quality, Affordable Healthcare.** The President believes that healthcare should be a right, not a privilege. With enrollment in affordable health coverage at an all-time high, the Budget builds on the incredible success of the Patient Protection and Affordable Care Act (Affordable Care Act), by: making permanent the expanded premium tax credits that the Inflation Reduction Act extended; and providing Medicaid-like coverage to individuals in States that have not adopted Medicaid expansion under the Affordable Care Act, paired with financial incentives to ensure States maintain their existing expansions. The Budget makes significant investments in strengthening the Nation's long-term care system. The Budget invests \$150 billion over 10 years to improve and expand Medicaid home and community-based services, such as personal care services, which allow older Americans and individuals with disabilities to remain in their homes and stay active in their communities. This \$150 billion would improve the quality of jobs for home care workers and support family caregivers. This investment is complemented by a robust agenda to: improve the safety and quality of nursing home care, including efforts to improve ownership transparency; address the backlog of complaint surveys and provide adequate funding to conduct nursing home inspections; increase the inspection of low-performing nursing homes via the special focus facilities program; and expand financial penalties for substandard facilities.
- **Reduces Drug and Other Healthcare Costs for All Americans.** The Budget builds upon the Inflation Reduction Act to continue lowering the cost of prescription drugs. For Medicare, this includes further strengthening its newly established negotiation power by negotiating more drugs and bringing drugs into negotiation sooner after they launch. The Budget also proposes to limit Medicare Part D cost-sharing for high-value generic drugs,

such as those used to treat chronic diseases like hypertension and high cholesterol, to no more than \$2. For Medicaid, the Budget includes proposals to ensure Medicaid and the Children's Health Insurance Program (CHIP) are prudent purchasers of prescription drugs, such as authorizing HHS to negotiate supplemental drug rebates on behalf of interested States in order to pool purchasing power. For the commercial market, the Budget includes proposals to curb inflation in prescription drug prices and cap the prices of insulin products at \$35 for a monthly prescription.

- **Protects and Strengthens Medicare.** The Budget would extend the solvency of the Medicare Hospital Insurance (HI) trust fund by at least 25 years, without cutting any benefits or raising costs for people with Medicare. The Budget includes key reforms to the tax code to ensure high-income individuals pay their fair share into the HI trust fund. The Budget also directs the revenue from the Net Investment Income Tax into the HI trust fund as was originally intended. In addition, the Budget credits the savings from the Budget's proposed drug reforms into the HI trust fund.
- **Expands Access to Affordable, High-Quality Early Care and Education.** The Budget advances the President's goal of ensuring that all families can access affordable, high-quality child care and free, high-quality preschool, helping children learn, giving families breathing room, and growing the economy. The President's plan enables States to increase child care options for more than 16 million young children and lower costs so that parents can afford to send their children to the high-quality child care program of their choice, allowing them to go to work or pursue training with the peace of mind that their children are being set up for a lifetime of success. The Budget also funds a Federal-State partnership that provides high-quality, universal, free preschool offered 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 children enter kindergarten ready to succeed. The proposal enables States to increase preschool access and quality by providing high-quality preschool to all of the approximately four million four-year-old children in the Nation, and it gives States the flexibility to expand preschool to three-year-olds after preschool is available to all four-year-olds. The estimated cost of these investments is \$600 billion over 10 years. In addition, the Budget provides \$22.5 billion in discretionary funds for HHS's existing early care and education programs, an increase of \$2.1 billion over the 2023 enacted level. This includes \$9 billion for the Child Care and Development Block Grant, an increase of nearly \$1 billion over the 2023 enacted level, to expand access to quality, affordable child care for families across the Nation. The Budget also helps young children enter kindergarten ready to learn by providing \$13.1 billion for Head Start, an increase of \$1.1 billion over the 2023 enacted level. In addition, Budget helps States improve their early childhood systems by building on existing Federal, State, and local early care and learning investments by funding the Preschool Development Grants program at \$360 million, an increase of \$45 million over the 2023 enacted level.
- **Advances Progress toward Cancer Moonshot Goals.** The Cancer Moonshot Initiative aims to reduce the cancer death rate by at least 50 percent over the next 25 years and improve the experience of people who are living with or have survived cancer, their families, and caregivers. Reaching these goals will require progress in ways to prevent, detect, and treat cancer and ensure that the tools we have and those we develop along the way reach more Americans. Investments across the Cancer Cabinet agencies would be targeted to priority actions including: close the screening gap; understand and address environmental exposure; decrease the impact of preventable cancers; bring cutting-edge research through the pipeline to patients and communities; and support patients and caregivers. The Budget includes \$1 billion for dedicated Cancer Moonshot activities across the Centers for Disease Control and Prevention

(CDC), IHS, the Health Resources and Services Administration, and the Food and Drug Administration (FDA), as well as a total investment at the National Cancer Institute (NCI) of \$7.8 billion to drive progress on ways to prevent, detect, and treat cancer. In addition, the Budget proposes to increase mandatory funding for the 21st Century Cures Act Beau Biden Cancer Moonshot initiative at NCI through 2026. In addition, the Budget provides an increase of \$1 billion for the Advanced Research Projects Agency for Health, for a total of \$2.5 billion, to drive innovative health research and speed the implementation of breakthroughs that would transform the treatment, prevention, and early detection of cancer and other diseases. As the Administration works to address the single biggest driver of cancer deaths in the Nation—smoking—the Budget also includes an investment of \$258 million in tobacco prevention and control efforts at the CDC, including tobacco cessation activities to help Americans quit.

- **Transforms Behavioral Healthcare.** The United States is facing a behavioral health crisis. Recently enacted legislation, such as the Bipartisan Safer Communities Act, takes significant steps to address this crisis, and the Administration is working on implementing important behavioral health and school mental health investments. Still, much more can be done. Nearly one in four adults 18 and older, and one in three adults aged 18 to 25, had a mental illness in the past year. Suicide is the second leading cause of death for young people ages 10 to 24, and teen girls, in particular, are experiencing record high levels of violence, sadness, and suicide risk. More than 46 million people had a substance use disorder, nearly 94 percent of whom did not receive treatment. For people with private health insurance, the Budget expands coverage of mental health benefits and strengthens the network of behavioral health providers. For people with Medicare, the Budget lowers patients' costs for mental health services, requires parity in coverage between behavioral health and medical benefits, and expands coverage for behavioral health providers. The Budget provides historic investments in the behavioral health workforce, youth mental health treatment, Certified Community Based Behavioral Health Clinics, Community Mental Health Centers, and mental health research. The Budget strengthens access to crisis services by investing in the 988 Suicide and Crisis Lifeline to address 100 percent of estimated contacts, scaling follow-up crisis services, and expanding CDC's suicide prevention program to all States, the District of Columbia, and 18 tribal and territorial jurisdictions. To address the mental health crisis among adolescents, the Budget expands CDC's What Works in Schools program to up to 75 of the largest local education agencies. The Budget also accelerates mental health research for promising new treatments and enhanced precision and implementation of existing treatments.
- **Invests in Community Health Centers and the Nation's Healthcare Workforce.** Because community health centers—which provide comprehensive services regardless of ability to pay—serve one in three people living in poverty and one in five rural residents, the Budget puts the Health Center Program on a path to double its size and expand its reach. To bolster the healthcare workforce, the Budget expands the National Health Service Corps, which provides loan repayment and scholarships to healthcare professionals in exchange for practicing in underserved areas, and the Teaching Health Center Graduate Medical Education Program, which trains residents in community-based healthcare clinics in rural and high-need areas. The Budget also addresses healthcare workforce shortages through new investments, including \$32 million to increase the nurse faculty essential to growing the Nation's nurse workforce, and \$28 million in innovative approaches to recruit, support, and train new providers.
- **Supports Family Planning Services for More Americans.** For more than 50 years, Title X family planning clinics have played a critical role in ensuring access to a broad range of high-quality family planning and preventive health services. Most Title X clients live in poverty and the uninsured rate of Title X users is twice the national average, making the Title

X family planning program a critical part of the public health safety net. The program has served as a point of entry into care for nearly 195 million people over its more than 50-year history. The Budget includes \$512 million, a 79-percent increase above the 2023 enacted level, for the Title X Family Planning program to increase the number of patients served to 4.5 million.

- **Guarantees Adequate and Stable Funding for IHS.** The Administration is committed to upholding the United States' trust responsibility to tribal nations by addressing the historical underfunding of IHS. Consistent and predictable funding for IHS is critical to addressing historical underfunding and improving access to care. The enactment of an advance appropriation for 2024 for IHS was a historic and welcome step toward the goal of securing adequate and stable funding to improve the overall health status of American Indians and Alaska Natives. Building on the advance appropriation, the Budget requests an additional \$3 billion in discretionary resources in 2024 for a total of \$8.1 billion in discretionary resources. Furthermore, the Budget proposes to reclassify as mandatory IHS contract support costs and leases starting in 2024, for a total of \$9.4 billion in discretionary and mandatory resources. Beginning in 2025, the Budget proposes all resources as mandatory. In 2024, the Administration will focus on implementing the advance appropriation and continuing consultation with Tribes on mandatory funding for IHS. In 2025, the Administration would shift the IHS budget from mostly discretionary to all mandatory funding. The mandatory proposal would automatically grow funding to keep pace with inflation and population growth, close longstanding service and facility shortfalls over time, and improve access to high-quality healthcare. The Budget also proposes to reauthorize and increase funding for the Special Diabetes Program for Indians to \$250 million in 2024. This program has been critical in lowering the prevalence of diabetes in Indian Country.
- **Prepares for Future Pandemics and Other Biological Threats and Strengthens Public Health Systems.** The United States must catalyze advances in science, technology, and core capabilities to prevent and prepare for future biological threats, which could emerge with increasing frequency. The Budget includes \$20 billion in mandatory funding for HHS public health agencies in support of the Administration's pandemic prevention and preparedness and biodefense priorities as outlined in the 2021 *American Pandemic Preparedness: Transforming Our Capabilities* plan and 2022 *National Biodefense Strategy and Implementation Plan for Countering Biological Threats, Enhancing Pandemic Preparedness, and Achieving Global Health Security*. The Budget also includes \$400 million in new discretionary resources within the Administration for Strategic Preparedness and Response to prepare for pandemics and biological threats, as well as key discretionary investments for the Biomedical Advanced Research and Development Authority and the Strategic National Stockpile to support advanced development and procurement of vaccines, therapeutics, and diagnostic capabilities against known and unknown high priority threats. The Budget includes a total of \$10.5 billion in discretionary funding to build public health capacity at the CDC and at the State and local levels, including expanding capacity to respond to emerging threats, including surveillance, laboratory, and public health workforce capacities. In addition, the Budget supports efforts to modernize public health data systems and enables the CDC to establish cadres of response-ready staff who can quickly deploy during emergencies. For the first time in decades, the Budget also includes \$50 million for the Public Health Emergency Fund to ensure HHS is able to respond to emerging public health threats without delay. In addition, the Budget includes mandatory funding to catalyze development of drugs that address the pandemic threat of antimicrobial resistance. The Budget also proposes key new HHS authorities to improve preparedness, incorporating lessons learned from recent public health emergencies, such as to enhance the visibility and the resilience of the medical product supply chain.



- **Advances Maternal Health and Health Equity.** The United States has the highest maternal mortality rate among developed nations, and rates are disproportionately high for Black and American Indian and Alaska Native women. The Budget includes \$471 million to: support ongoing implementation of the *White House Blueprint for Addressing the Maternal Health Crisis* and reduce maternal mortality and morbidity rates; expand maternal health initiatives in rural communities; implement implicit bias training for healthcare providers; create pregnancy medical home demonstration projects; and address the highest rates of perinatal health disparities, including by supporting the perinatal health workforce. In addition, the Budget requires all States to provide continuous Medicaid coverage for 12 months postpartum, eliminating gaps in health insurance at a critical time for women. Recognizing that maternal mental health conditions are the most common complications of pregnancy and childbirth, the Budget continues to support the maternal mental health hotline as well as screening and treatment for maternal depression and related behavioral disorders. To address the lack of data on health disparities and further improve access to care, the Budget strengthens collection and evaluation of sociodemographic data.
- **Supports Rural Health.** Rural America faces persistent disparities in access to healthcare, including higher uninsured rates, limited healthcare provider availability, and rural hospital closures. Providing Medicaid-like coverage to individuals in States that have not adopted Medicaid expansion under the Affordable Care Act, as the Budget proposes, is critical for rural communities. The Budget also includes investments to improve the health of rural communities, including by helping rural hospitals stay open, expanding the pipeline of rural healthcare workers, and facilitating access to quality care. The Budget includes \$30 million to provide assistance to rural hospitals at-risk of closure and to support expansion of hospital service lines to meet rural communities' needs. The Budget also supports rural healthcare workforce development and training programs and telehealth. Recognizing that rural communities have higher rates of suicide, and high rates of overdose deaths and mental illness, the Budget provides dedicated funding to rural communities, including rural health clinics, to support behavioral health.
- **Invests in the Treatment and Prevention of Infectious Diseases.** The Budget invests in the treatment and prevention of infectious diseases, including Hepatitis C, HIV, and vaccine-preventable diseases, by supporting comprehensive programs that would expand access to curative and preventive medications. The Budget includes a new mandatory proposal for a national program to significantly expand screening, testing, treatment, prevention, and monitoring of Hepatitis C infections in the United States, with a specific focus on populations with high infection levels. This program would support Federal procurement of life-saving treatments, while bolstering provider capacity and related public health efforts such as testing, communication, and surveillance. The Budget invests \$850 million in the Ending the HIV Epidemic Initiative across HHS to aggressively reduce new HIV cases, increase access to pre-exposure prophylaxis (also known as PrEP), and ensure equitable access to services and support for those living with HIV. The Budget also reduces Medicaid costs by eliminating barriers to accessing PrEP for Medicaid beneficiaries and proposes a new mandatory program to: guarantee PrEP at no cost for all uninsured and underinsured individuals; provide essential wrap-around services through States, IHS, tribal entities, and localities; and establish a network of community providers to reach underserved areas and populations. In addition, the Budget proposes a new Vaccines for Adults program to provide uninsured adults with access to routine and outbreak vaccines at no cost and expands the Vaccines for Children program to include all children under age 19 enrolled in CHIP.

- **Reduces Hunger and Diet-Related Chronic Diseases and Improves Food Safety.** The Budget proposes investments in nutrition to help end hunger and reduce diet-related chronic diseases by 2030. The Budget requests a total of \$137 million in discretionary funding to address specific commitments made as part of the White House Conference on Hunger, Nutrition, and Health and corresponding National Strategy. This includes funding: to conduct nutrition research; to expand CDC's State Physical Activity and Nutrition Program to all States and Territories; to improve labeling to empower consumers to make good food choices; to enhance dietary and physical activity guidelines for Americans; and to increase support for senior nutrition programs. The Budget proposes to expand Medicare access to cover nutrition and obesity counseling services and to pilot coverage of medically-tailored meals in Medicare. The Budget also supports strengthening access to nutrition and obesity counseling in Medicaid. In addition, the Budget strengthens FDA's ability to ensure that food is safe, particularly for infants and children. The Budget provides investments in FDA to protect infants and children from toxic metals in food. The Budget also invests in enhanced inspections of food manufacturing facilities, including infant formula facilities, and requires enhanced testing and reporting for *Cronobacter* contamination. The Budget also requires more environmental monitoring with reporting to FDA. In addition, the Budget invests in food supply chain continuity and FDA's smarter food safety initiative to strengthen data access and analysis capabilities to better target inspections.
- **Advances Child and Family Well-Being in the Child Welfare System.** The Budget proposes to expand and incentivize the use of evidence-based foster care prevention services to keep families safely together and reduce the number of children entering foster care. The Budget provides States with support and incentives to place more foster children with relatives or other adults who have an existing emotional bond with the children and fewer children in group homes and institutions, while also providing additional funding to support youth who age out of care without a permanent caregiver. The Budget proposes to nearly double flexible funding for States through the Promoting Safe and Stable Families program, and proposes new provisions to expand access to legal representation for children and families in the child welfare system. The Budget provides \$50 million in 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, address the disparate experiences and outcomes of these families, and provide more families with the support they need to remain safely together. In addition, the Budget provides \$215 million for States and community-based organizations to respond to and prevent child abuse.
- **Supports Survivors of Domestic Violence and Other Forms of Gender-Based Violence.** The Budget proposes significant increases to support and protect survivors of gender-based violence, including \$519 million for the Family Violence Prevention and Services (FVPSA) program and the National Domestic Violence Hotline to support domestic violence survivors—double the 2023 enacted level. This amount continues funding availability for FVPSA-funded resource centers, including those that support the Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex community. The Budget would provide additional funding for domestic violence hotlines and cash assistance for survivors of domestic violence, as well as funding to support a demonstration project evaluating services for survivors at the intersection of housing instability, substance use coercion, and child welfare. In addition, the Budget would provide over \$66 million for victims of human trafficking and survivors of torture, an increase of nearly \$17 million from the 2023 enacted level.
- **Supports America's Promise to Refugees.** The Budget provides \$7.3 billion to the Office of Refugee Resettlement (ORR) to help rebuild the Nation's refugee resettlement infrastructure

and support the resettling of up to 125,000 refugees in 2024. The Budget also helps ensure that unaccompanied immigrant children receive appropriate support and services while they are in ORR's care and are unified with relatives and sponsors as safely and quickly as possible. This funding would allow ORR to reinforce and expand on the programmatic improvements the Administration has made, including expanding access to counsel to help children navigate complex immigration court proceedings and enhancing case management and post-release services. In addition, the Budget includes an emergency contingency fund that would provide additional resources, beyond the \$7.3 billion, when there are unanticipated increases in the number of unaccompanied children or other humanitarian entrants, building on the contingency fund enacted for 2023.

- **Reduces Home Energy and Water Costs.** The Budget provides \$4.1 billion, a \$111 million increase from the 2023 enacted level (excluding emergency appropriations), for the Low Income Home Energy Assistance Program (LIHEAP). LIHEAP helps families access home energy and weatherization assistance, vital tools for protecting vulnerable families' health in response to extreme weather and climate change. As part of the Justice40 pilot, HHS plans to increase efforts to prevent energy shutoffs and increase support for households with young children and older people and high energy burdens. Since the Low Income Household Water Assistance Program (LIHWAP) expires at the end of 2023, the Budget proposes to expand LIHEAP to advance the goals of both LIHEAP and LIHWAP. Specifically, the Budget increases LIHEAP funding and gives States the option to use a portion of their LIHEAP funds to provide water bill assistance to low-income households.