

# HEALTH RESOURCES AND SERVICES ADMINISTRATION

(dollars in millions)

	2006	2007		2008	
	Actual	President's Budget	Continuing Resolution	President's Budget	+/- 2007 Cont. Res.
Health Centers.....	1,785	1,963	1,765	1,988	+224
<i>(Health Centers Federal Tort Claims - non-add)</i> .....	45	45	27	44	+17
Free Clinics Medical Malpractice Coverage.....	0.04	--	0.55	0.1	-0.4
Office of Pharmacy Affairs (340B Program).....	--	3	--	2.9	+3
Nurse Training Programs.....	150	150	150	105.3	-44
<i>Advanced Education Nursing (non-add)</i> .....	57	57	57	--	-57
<i>Loan Repayment and Scholarship Program (non-add)</i> .....	31	31	31	43.7	+13
National Health Service Corps.....	125	126	126	116	-10
Health Professions Training Activities.....	145	10	145	10	-135
Children's Hospitals Graduate Medical Education.....	297	99	297	110	-187
Ryan White HIV/AIDS Activities.....	2,061	2,158	2,063	2,158	+95
Rural Health.....	160	27	160	17	-143
Maternal and Child Health Block Grant.....	693	693	693	693	--
Healthy Start.....	101	102	102	101	-1
Family Planning.....	283	283	283	283	--
Traumatic Brain Injury.....	9	--	9	--	-9
Poison Control.....	23	13	23	10	-13
EMS for Children.....	20	--	20	--	-20
Organ Transplantation.....	23	23	23	23	--
Bone Marrow Donor Registry.....	25	23	25	23	-2
Cord Blood Stem Cell Bank.....	4	--	--	2	+2
Telehealth.....	7	7	7	7	--
Black Lung/Radiation Exposure Compensation.....	8	8	8	8	--
Hansen's Disease Services Programs.....	18	18	18	18	--
Universal Newborn Hearing Screening/Trauma.....	10	--	10	--	-10
Sickle Cell.....	2	2	2	2	--
Family-to-Family Health Information Centers.....	--	3	3	4	+1
Program Management.....	151	148	151	151	--
National Practitioner Data Bank (User Fee).....	16	16	16	15	-1
Health Integrity & Protection Data Banks (User Fee).....	4	4	4	4	--
<b>Total, Program Level</b>	<b>6,119</b>	<b>5,876</b>	<b>6,101</b>	<b>5,850</b>	<b>-251</b>
Less Mandatory and Funds From Other Sources					
User Fees.....	-20	-20	-20	-19	+1
PHS Evaluation Funds (Ryan White).....	-25	-25	-25	-25	--
Family-to-Family Health Information Centers (mandatory funds).....	--	-3	-3	-4	-1
Subtotal, Funds from Other Sources.....	-45	-48	-48	-48	--
<b>Total, Discretionary Budget Authority/1</b>	<b>6,075</b>	<b>5,829</b>	<b>6,054</b>	<b>5,802</b>	<b>-252</b>
FTE.....	1,808		1,937	1,973	+36

1/ FY 2006 and FY 2007 do not reflect funds for Bioterrorism Preparedness Activities. These funds will be transferred to the Office of the Secretary beginning in FY 2007. Actual funding levels for HRSA were \$6,569 in FY 2006, \$6,293 in the FY 2007 P.B., and \$ 6,549 in the FY 2007 C.R.

# HEALTH RESOURCES AND SERVICES ADMINISTRATION



*The Health Resources and Services Administration provides national leadership, program resources, and services needed to improve access to culturally competent, quality health care.*

The FY 2008 Budget request for the Health Resources and Services Administration (HRSA) is \$5.8 billion, a net decrease of \$252 million below the FY 2007 Continuing Resolution and a decrease of \$26 million below the FY 2007 President's Budget. Millions of families in the United States face barriers to quality health care because of their income, lack of insurance, geographic isolation, or language and cultural barriers. HRSA is the principal Federal agency charged with increasing access to care for these underserved populations. Its mission is to provide national leadership, program resources and services to improve access to culturally competent, quality health care. Some of the populations served by HRSA programs include:

- ◆ The 47 million Americans who lack health insurance, many of whom are racial and ethnic minorities;
- ◆ Over 50 million underserved Americans who live in rural and poor urban neighborhoods where health care services are scarce;
- ◆ African American infants who are still 2.4 times as likely as white infants to die before their first birthday;
- ◆ More than one million people living with HIV/AIDS; and
- ◆ Over 87,000 Americans who are waiting for an organ transplant.

## EXPANDING ACCESS TO QUALITY HEALTH CARE

**Health Centers:** The Budget supports the final year of the President's Health Centers Initiative, as well as the President's High Poverty Counties Initiative. By establishing over 220 new access points and funding 120 expanded medical capacity grants to existing health centers in FY 2008, the Health Center Program will surpass the goal of increasing access to primary health care in 1,200 communities across the Nation. The President's High Poverty Counties Initiative, which builds on the success of the Health Centers Initiative, will establish up to 120 new access points in high-poverty counties that currently lack a health center site. A total of \$207 million is requested to support these expansion activities.

In FY 2008, health centers will serve an estimated 16.3 million patients. Of the population served by health centers, over 91 percent are at or below 200 percent of the Federal poverty level, 64 percent are from racial/ethnic minority groups, and 40 percent are uninsured.

In addition to medical services, 85 percent of Health Centers provide pharmacy services on site or by paid referral, 84 percent

provide preventive dental care, and 77 percent provide mental health and substance abuse services.

The Budget request includes \$44 million in no-year funding for the Health Centers Federal Tort Claims Program, which provides medical malpractice coverage for the increasing number of Health Center clinicians. The 340B Drug Pricing Program provides discounts or rebates to HHS-assisted programs and hospitals that meet statutory criteria for serving a disproportionate share of low-income patients. Participants include community health centers, Ryan White grantees, Indian Health Service funded Tribal clinics, Title X family planning programs, and Centers for Disease Control and Prevention-funded Sexually Transmitted Disease and Tuberculosis programs. The FY 2008 request of \$3 million will be used to continue management improvements, including increased monitoring of compliance with 340B price ceilings and improved accuracy and reliability of the database of participating covered entities.

Free Clinics also play a significant role in meeting the health care needs of the uninsured. The Free Clinics Medical Malpractice fund extends malpractice coverage to medical professional volunteers in

### *Performance Highlight*

In FY 2001, HRSA funded 3,317 health centers sites. Under the President's Health Centers Expansion Initiative, HRSA has increased access to health center services through 899 new and expanded sites (514 new sites and 385 expansions) for a total of 3,831 sites across the country. In FY 2008, HRSA will fund an additional 340 new or expanded sites (220 new sites and 120 expansions), surpassing the goal of establishing 1,200 new or expanded sites by the end of the year, and will reach a total of 16.3 million patients served.

free clinics in order to expand access to health care services to low-income individuals in medically underserved areas. The FY 2008 request of \$100,000 supports program operations as well as an effort to determine the impact of extending this coverage on medical professionals' decisions to volunteer.

**Ryan White, HIV/AIDS:** Each year, Ryan White Comprehensive AIDS Resources Emergency (CARE) Act activities address the unmet health needs of over 500,000 low-income and uninsured people living with HIV disease. The FY 2008 request includes \$2.2 billion for Ryan White activities, an increase of \$95 million over FY 2007. The FY 2008 request supports a comprehensive approach to address the health needs of persons living with HIV/AIDS, including medical treatment, life saving medications, and access to care. Of this \$95 million, approximately \$70 million will go toward grants to States, while the remaining will provide additional funding for HIV/AIDS therapies through State AIDS Drug Assistance Programs, bringing the benefits of effective and costly anti-retroviral and other pharmaceuticals within reach of persons with HIV.

**Maternal and Child Health Block Grant:** The FY 2008 Budget provides \$693 million for the Maternal and Child Health (MCH) Block Grant. The MCH Block Grant is a public health program that reaches across economic lines to improve the health of mothers and children. Special efforts are made to build community capacity to deliver such enabling services as care coordination, transportation, and nutrition counseling. The MCH Block Grant supports Federal and State partnerships that provide gap-filling maternal health services to more than 2.3 million women and primary and preventive care to more than 27.8 million infants and

## Ryan White Reauthorization

In December of 2006, the reauthorization of the Ryan White CARE Act was signed into law by the President. The reauthorized Act:

- ◆ Targets money to core life-saving and life-extending medical services;
- ◆ Increases accountability through more aggressive oversight of Ryan White CARE Act programs;
- ◆ Provides more flexibility to direct funding to areas of greatest need; and
- ◆ Standardizes minimum requirements for the AIDS Drug Assistance Program.

children, including approximately 1 million children with special health care needs. The Deficit Reduction Act of 2005 provides \$4 million in mandatory funding in FY 2008 for the development and support of family-to-family health information centers.

Consistent with the FY 2007 Budget, no funding is requested in FY 2008 Budget for Traumatic Brain Injury, Universal Newborn Hearing, and Emergency Medical Services for Children. The Activities authorized under these programs may be supported through the MCH Block Grant which allows grantees greater flexibility to direct funds towards to areas of need.

**Family Planning:** The FY 2008 request includes a total of \$283 million for family planning services. The Family Planning program supports a network of more than 4,400 clinics nationwide. Program data reflects that in 2005, these clinics served over 5 million individuals, 90 percent of whom were from low-income families. Additionally, over 900,000 unintended pregnancies are estimated to be averted as a result of Title X family planning services. Counseling and education regarding abstinence are required for all adolescent clients in this program.

**Healthy Start:** Healthy Start provides services tailored to the needs of high risk pregnant women, infants and mothers in communities with exceptionally high rates of infant mortality. Communities in the 37 States, the District of Columbia, and Puerto Rico that are served by Healthy Start have large minority populations, high rates of unemployment and poverty, and limited access to safe housing and medical providers. Healthy Start supports community driven programs in these communities to reduce the incidence of risk factors that contribute to infant mortality. A total of \$101 million is requested for Healthy Start in FY 2008.

**Poison Control:** The Budget also includes \$10 million for the Poison Control Program, a reduction of \$13 million below FY 2007. Ninety-five percent of poison control centers (58 of 61 centers) are now certified. Poison centers have been able to stabilize their funding for basic operations and many have partnered with public health and health agencies. In FY 2008, the Budget proposes continuing to assist poison centers to improve their operations and achieve certification and self-sufficiency.

## **DEVELOPING A HEALTH PROFESSIONS WORKFORCE FOR THE 21ST CENTURY**

The FY 2008 Budget reduces funding for Advanced Education Nursing and increases investments in the recruitment of new nurses into the field through loan repayment and scholarship programs. Funding is maintained for workforce diversity and comprehensive geriatric training. The request includes \$105 million for these programs.

The National Health Service Corps (NHSC) places primary care clinicians, including dental, mental and behavioral health professionals, in health professional shortage areas in every state and territory. Over its 35-year history, the NHSC program has offered recruitment incentives, such as scholarship and loan repayment support, to over 27,000 health professionals who serve in areas that lack quality basic health care. Over half of NHSC clinicians are assigned to service in community health centers. The FY 2008 request of \$116 million, a decrease of \$10 million, will continue to support a field strength of more than 3,400 clinicians.

The Budget provides \$110 million for the Children's Hospitals Graduate Medical Education (GME) program, a decrease of \$187 million below FY 2007 and an increase of \$11 million over the FY 2007 President's Budget. GME funds support training in freestanding children's teaching hospitals.

### **SUPPORTING TRANSPLANTATION**

The Budget includes \$23 million to support the Organ Transplantation program, which provides:

- ◆ Contracts to operate the national Organ Procurement and Transplantation Network and the Scientific Registry of Transplant Recipients;
- ◆ Breakthrough Collaboratives to disseminate rapidly best practices in organ donation; and
- ◆ Grants to support development and improvement of State donor registries and to educate the public about organ and tissue donation.

The Budget also includes \$23 million to support the C.W. "Bill" Young Cell Transplantation Program (successor to the National Bone Marrow Donor Registry), which enables patients to search for a suitable, unrelated bone marrow donor or cord blood product, and which recruits volunteer adult donors of blood stem cells. Blood Stem Cell transplants offer the possibility of a cure for people with leukemia and other life-threatening blood disorders.

The National Cord Blood Inventory program (successor to the Cord Blood Stem Cell Bank program) assists public cord blood banks for the donation, processing and storage of cord blood stem cells for blood stem cell transplantations, as well as research into cellular therapies. The FY 2008 request of \$2 million supports the collection of approximately 1,500 new cord blood units. In total, approximately 18,500 units will be collected for the National Cord Blood Inventory with funds appropriated for FY 2004–2008. These units will be available to patients and their physicians through the C.W. "Bill" Young Cell Transplantation program.

## **TARGETING FUNDS TO DIRECT HEALTH SERVICES**

The FY 2008 Budget supports more targeted efforts to provide direct health services for underserved populations. A recent Program Assessment Rating Tool (PART) review found that Health Professions programs have not demonstrated an impact on placing health professionals in underserved areas. Based on this determination, the Budget proposes eliminating several health professions activities. Instead, HRSA will focus on activities that are more effective in placing health professionals in underserved areas.

The Budget also reduces funding for HRSA rural programs by \$143 million from FY 2007. A recent PART assessment found these programs to be similar to other HHS programs that provide resources to rural areas. For example, Medicare, through the Critical Access Hospital program, finances payments that improve the profitability of many rural hospitals and promote beneficiary access to care.

### **OTHER ACTIVITIES AND PROGRAM MANAGEMENT**

The Budget requests \$151 million for program management. Resources will enable HRSA to manage and operate a wide array of activities as well as to fund Federal pay cost increases.

Finally, the request repeats the FY 2007 Budget proposal to rescind the Federal portion of grant funds that were awarded to health professions schools through the Health Professions and Nursing Student Loan programs, and Health Center Construction loan guarantees. It is estimated that \$105 million will be rescinded in FY 2008.