February 13, 2018

TO: Health Subcommittee Members

FROM: Committee Majority Staff

RE: Hearing: "Oversight of the Department of Health and Human Services"

## I. INTRODUCTION

The Subcommittee on Health will hold a hearing on Thursday, February 15, 2018, at 12:30 p.m. in room 2123 of the Rayburn House Office Building entitled, "Oversight of the Department of Health and Human Services." The Subcommittee will hear from the Health and Human Services (HHS) Secretary, Alex Azar, about President Trump's Fiscal Year (FY)2019 federal budget request for the department.

## II. BACKGROUND

The Committee on Energy and Commerce has broad jurisdiction over health care matters, including the major policies and operating divisions of HHS. Some of these issue areas include federal requirements and regulations pertaining to: private and public health insurance (Patient Protection and Affordable Care Act, Medicare, Medicaid, CHIP); biomedical research and development, including the National Institutes of Health (NIH); hospital construction; mental health; health information technology, privacy, and cybersecurity; the 340B drug discount program; the regulation of food, drugs, and cosmetics through the Food and Drug Administration (FDA); substance abuse and mental health, including the Substance Abuse and Mental Health Administration (SAMHSA); public health, including the Centers for Disease Control (CDC); and the Indian Health Service. <sup>1</sup>

HHS states that its mission is to enhance and protect the health and well-being of all Americans.<sup>2</sup> HHS has 11 operating divisions, including eight agencies in the U.S. Public Health Service and three human services agencies. These divisions administer a wide variety of health and human services programs. In FY 2017, total outlays for HHS were \$1.13 trillion dollars and the Department employed nearly 80,000 individuals (full-time equivalents).<sup>3</sup>

Of the total outlays in FY 2017, expenditures for Medicare, Medicaid, and the state Children's Health Insurance Program (CHIP) totaled more than 90 percent of all expenditures. In FY 2018, it is estimated that Medicare will provide health coverage to about 60 million individuals who are elderly or who have disabilities, state Medicaid programs will provide health coverage nearly 100 million low-income Americans during the year, and state CHIP programs will provide health coverage to nearly 9 million low-income children and pregnant women.

<sup>&</sup>lt;sup>1</sup> https://energycommerce.house.gov/subcommittee/health/

<sup>&</sup>lt;sup>2</sup> https://www.hhs.gov/about/index.html

<sup>&</sup>lt;sup>3</sup> https://www.hhs.gov/sites/default/files/Consolidated%20BIB\_ONLINE\_remediated.pdf

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Other programs such as IHS and community health extenders play an important role in helping provide medical services and care for vulnerable populations.

In addition to health programs that provide health coverage or medical aid for many Americans, most American families and communities benefit to some extent from HHS's work through some of its more prominent biomedical and public health sub-agencies. For example, virtually every American's life is impacted to some degree by the FDA's role in protecting the public health by assuring the safety, efficacy, and security of human and veterinary drugs, biological products, and medical devices. Communities across the nation are impacted by the efforts of CDC staff and other public health officials who help lead efforts to combat the flu and other diseases and deadly outbreaks. Families with a friend or loved one battling a disease may benefit from biomedical innovations funded through NIH research or approved through FDA authorities.

## III. SELECT ISSUES

Given the broad scope of the Committee's jurisdiction over the HHS budget and the Department's work, members may expect a wide-ranging discussion of important health care policy matters. Some issues may include:

- The Department's work to partner with Congress and stakeholders to further combat the opioid crisis in communities across the nation;
- The reauthorization of the Pandemic All Hazards Preparedness Act and the Animal Drug and Generic Animal Drug user fee agreements which the Committee will move through regular order later this year;
- Policies to help address the cost-drivers of health care and make health care more affordable for consumers, patients, and taxpayers;
- Opportunities to improve the program integrity, management, oversight, and efficiency of health care programs; and
- Specific instances in which HHS may request a change in federal statute to improve and strengthen the oversight or operation of a federal health care program.

## IV. STAFF CONTACTS

If you have any questions regarding this hearing, please contact Paul Edattel or Josh Trent of the Committee majority staff at (202) 225-2927.