

Statement of  
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for  
The National Commission on Fiscal Responsibility and Reform  
June 30, 2010

The Coalition for Health Funding is pleased to offer this statement to inform your policy recommendations on reducing the federal deficit. Since 1970, the Coalition has advocated for sufficient and sustained discretionary funding for the U.S. Public Health Service, including the National Institutes of Health (NIH), the Centers for Disease Control and Prevention (CDC), the Health Resources and Services Administration (HRSA), the Substance Abuse and Mental Health Services Administration (SAMSHA), the Agency for Healthcare Research and Quality (AHRQ), the Food and Drug Administration (FDA), and the Indian Health Service.

Our diverse membership of over 60 national organizations represents the funding priorities of nearly 100 million patients, health care providers, public health professionals, and scientists (Appendix A). We support the belief that funding for the Public Health Service is essential for improving health and health care through greater access, higher quality, lower costs, improved safety, faster cures, and ultimately, healthier people.

The impact of the public health continuum is often invisible to the naked eye and almost always taken for granted. With federal support, public health interventions have:

- Prevented unnecessary and costly injuries through seat belt and helmet laws, mandatory airbags, and car seats for infants and toddlers.
- Promoted safe and healthy foods through dietary guidelines and food labeling that help us better understand what we eat and how to eat better.
- Improved the health of mothers and babies through recommendations to take folic acid during early stages of pregnancy, place babies on their backs to prevent Sudden Infant Death Syndrome, and avoid tobacco and alcohol use during pregnancy, significantly reducing birth defects and infant deaths.
- Combated tobacco addiction by regulating advertisements, imposing age limits on tobacco purchases, and instituting smoking bans in public places, cutting smoking rates by nearly half and reducing the number of smoking-related deaths and illnesses and the opportunity and real costs associated with them.
- Treated and eradicated infectious diseases through vaccines, preventing epidemics and saving lives.

- Improved our environment through bans on asbestos in household products and lead in paint and gasoline.
- Saved and improved the lives of many of those suffering from illnesses through scientific innovation and discovery.
- Protected the American people in all communities from infectious, occupational, environmental, and terrorist threats.

These are just some of the ways in which the public health continuum has changed our lives and those of our children for the better; initiatives made possible because of discretionary funding. Still, the public health continuum requires federal funding to further improve, save, and protect those in America and around the world. Racial, socioeconomic, and geographic health disparities persist in a nation where all should be treated equal. Costly and entirely preventable chronic conditions like asthma, diabetes, heart disease and obesity—particularly among our young people—are on the rise and threaten our military readiness, our academic achievement, and our societal productivity. The failure to prioritize behavioral health issues continues to have stunning, debilitating social and economic consequences, including over 33,000 suicides every year. Oral health is still not widely recognized as a health care priority; too many children and adults have limited or no access to essential dental services, resulting in preventable illness and even death. The treatments and cures for many devastating diseases are just out of reach. And the black cloud of a potential pandemic or biological attack looms on the horizon.

The Coalition for Health Funding's pressing and immediate goals are to build the capacity of our public health system to address these mounting health needs and to support the implementation of the Affordable Care Act. In this regard, we urge you in your deliberations to take a balanced approach to deficit reduction, considering opportunities to both reduce federal spending and also raise federal revenue. In so doing, we urge you to look beyond nondefense discretionary spending—which represents less than half of all discretionary spending—as the principal vehicle for deficit reduction. We believe recent efforts in the House and Senate, as well as the President's call for cuts in nonsecurity discretionary spending, are shortsighted. Such efforts disproportionately restrict funding for critical public health programs, weaken our ability to respond to a health crisis, and immeasurably harm America's most vulnerable who rely on the federal government to provide basic and necessary services, particularly in these times of economic hardship. Furthermore, such efforts will not substantially reduce the deficit, nor make a dent in the national debt, as nondefense discretionary programs comprise only 20 percent of all federal spending. Indeed, the real costs of these cuts far outweigh the perceived fiscal benefits.

Federal discretionary investment in the Public Health Service represents a fraction of our nation's health care spending—just two percent in 2008 based on expenditure data from the Centers for Medicare and Medicaid Services—even though the public health continuum has the potential to slow unsustainable growth in mandatory costs, reduce lost productivity at work, school, and home, and strengthen every citizen's contribution for a healthy, safe, and economically strong America. Our nation's lost opportunity to save lives and money through investments in the public health continuum is possibly best represented by the Medicare program. A study published in *Health Affairs* earlier this year finds that the causes of Medicare spending growth have changed dramatically in two decades, where Medicare's skyrocketing costs are now mostly attributable to the treatment of preventable chronic conditions such as diabetes, arthritis, hypertension, and kidney disease—conditions that could have been prevented with a more serious investment in public health.

The public health infrastructure is continually asked to do more with less, experiencing significant erosion over the past several years despite its important role in keeping Americans healthy, productive, and secure. On average, federal investment in the agencies of the Public Health Service has increased, on average, by only 2.5 percent per year over the last five years. Many agencies' budgets have increased at a much slower rate, well below the rate of inflation and population growth (e.g., CDC at 0.35 percent per year on average, SAMHSA at 1.4 percent per year on average). Within agencies that experienced more significant rates of growth during the last five years (e.g., HRSA at 4.3 percent per year on average, AHRQ at 3.6 percent per year on average), such increases were narrowly targeted for one or two specific programs—the broader programmatic portfolio was flat funded or cut.

The impact of this divestment in the public health continuum is felt in communities across America. For example, states have cut more than \$392 million for public health programs in just the past year, and local public health departments have reduced their workforce by 15 percent. These cuts have left communities around the country struggling to deliver basic disease prevention and emergency health preparedness services, at a time when the public health infrastructure is already buckling under the weight of ongoing recession, an aging population, rising rates of chronic disease, and a health workforce shortage. A nondefense discretionary spending freeze would have a devastating effect on the health of our nation, would diminish the capacity of our public health system, would cripple the nation's ability to address America's mounting health needs, and seriously hinder the implementation of the Affordable Care Act.

Congress has made historic strides toward comprehensive health system change—which begins, not ends, with the enactment of the Affordable Care Act. As the administration begins to implement the new law, the Public Health Service and its myriad programs will be essential to achieving the law’s goals of improved health and health care. With significant cuts in nondefense discretionary spending, we fear that the Public Health Service will lack the capacity to deliver on the law’s promises of improved health care quality, availability, and affordability. Only with increased investment in the public health infrastructure can we build capacity to transform our health system from one that reacts when people are sick to one that proactively keeps people healthy. That’s the best way to truly bend the cost curve and reduce the federal deficit.

We hope in your ongoing deliberations you will consider the social costs of discretionary spending cuts, and the value of public health programs in reducing health care costs and improving the lives of American families. We look forward to working with the Fiscal Commission as it develops its policy recommendations, and hope you will turn to the Coalition for Health Funding as a resource. On behalf of the Coalition for Health Funding, thank you for this opportunity.

## Appendix A: Coalition for Health Funding Membership

AIDS Action Council  
American Academy of Nursing  
American Academy of Pediatrics  
American Academy of Physician Assistants  
American Association for Dental Research  
American Association for Geriatric Psychiatry  
American Association of Colleges of Nursing  
American Association of Colleges of Pharmacy  
American College of Clinical Pharmacy  
American Congress of Obstetricians & Gynecologists  
American College of Physicians  
American College of Preventive Medicine  
American Dental Association  
American Dental Education Association  
American Diabetes Association  
American Heart Association  
American Institute for Medical and Biological Engineering  
American Lung Association  
American Nurses Association  
American Optometric Association  
American Podiatric Medical Association  
American Psychiatric Association  
American Psychological Association  
American Public Health Association  
American Society for Microbiology  
American Society of Nephrology  
amfAR-The Foundation for AIDS Research  
Arthritis Foundation  
Association of American Medical Colleges  
Association of Maternal and Child Health Programs  
Association of Population Centers/Population Research Institute  
Association for Prevention Teaching and Research  
Association for Psychological Science  
Association of Public Health Laboratories  
Association of Schools of Public Health  
Association of State and Territorial Health Officials  
Association of University Centers on Disabilities

Association of Women's Health, Obstetrics and Neonatal Nurses  
Coalition for Health Services Research  
Commissioned Officers Association of the U.S. Public Health Service, Inc.  
Council of State and Territorial Epidemiologists  
Cystic Fibrosis Foundation  
Easter Seals  
Epilepsy Foundation  
Federation of American Societies for Experimental Biology  
Federation of Associations in Behavioral and Brain Sciences  
Infectious Disease Society of America  
International Certification & Reciprocity Consortium  
March of Dimes Birth Defects Foundation  
Mental Health America  
National Association of Children's Hospitals & Related Institutions  
National Association of Community Health Centers  
National Association of County and City Health Officials  
National Family Planning and Reproductive Health Association  
National Rural Health Association  
Physician Assistant Education Association  
Planned Parenthood Federation of America  
Society for Healthcare Epidemiology of America  
Society for Neuroscience  
Trust for America's Health  
WomenHeart: The National Coalition for Women with Heart Disease