

Summary of Senate LHHS Price hearing

This morning HHS Secretary Tom Price testified before the Senate Labor HHS Appropriations Subcommittee on HHS's fiscal 2018 budget request. Secretary Price's statement and a webcast of the hearing can be found [here](#).

In his opening statement, Chairman Blunt (R-MO) vowed not to sign off on any spending bill that would slash funding to key public health programs, specifically singling out proposed cuts to NIH and CDC. He also said, however, that he hopes the subcommittee can work to identify programs that are ineffective and put that money to better use. He noted that the subcommittee is not opposed to setting priorities, but they want to make sure those priorities make sense. He said the goal is to work together to find common ground and responsibly allocate money.

Both the full committee and subcommittee Ranking Members, Patrick Leahy (D-VT) and Patty Murray (D-WA), criticized the budget proposal for including devastating cuts to HHS' funding. They both mentioned cuts to things such as women's health, opioid and substance abuse funding, and the NIH, and called out the fact that the budget assumes savings from the repeal of the Affordable Care Act and cuts to Medicaid.

Throughout the hearing several members spoke about cuts to Medicaid, as well as the fact that Senate Republicans are working behind closed doors on ACA repeal legislation. Price's comments following passage of the House passed repeal bill were also criticized, although he declined to explicitly endorse the House-passed bill when pressed by Senator Murray on President Trump's recent characterization of the legislation as "mean." In his response Price called the nation's current health system unacceptable and advocated for a series of reforms.

During the hearing Senator Lamar Alexander (R-TN) urged Price to continue funding key Obamacare cost-sharing subsidies for the next two years. Price wouldn't commit to maintaining the funding, telling Alexander that he can't comment because he's a defendant in a lawsuit on funding the subsidies. Price did note that the proposed budget includes funding for the cost-sharing subsidies.

In response to a question by Senator Schatz (D-HI) about the Senate ACA repeal bill and the process being used, Price said he had not yet seen any Senate proposals and has no inside knowledge of the chamber's deliberations. He also deflected questions about the secretive nature of the Senate's bill-writing process and how much time HHS would need to review the legislation before it is put to a vote.

Senators Moran (R-KS) and Durbin (D-IL) both spoke in opposition to the proposed NIH cuts. Moran noted the amount of grant money the budget says is currently used for indirect expenses (30%) and said if the suggestion is that money is being improperly or ineffectively used he would like to figure out how to spend the money in the best way possible instead of suggesting a dramatic cut to the overall budget. He pointed out that many universities use grant money to pay salaries for researchers and noted that he thinks universities should be paying these salaries and the money from NIH grants should be used for research. He suggested that this may be an opportunity to incentivize that concept.

In criticizing the proposed cuts to NIH, Senator Durbin said that if Price is suggesting a reform in the way competitive research grants are paid then he assumes Price is going to be putting some substantive legislation before Congress. Price responded by saying said that the savings to be garnered is through cutting indirect costs and insisted that the budget doesn't cut back on medical research.

Senator Shaheen (D-NH) noted the cuts to funding for Planned Parenthood and said that community health centers were suggested as someone who would pick up capacity if Planned Parenthood centers were shut down. She noted that community health centers in New Hampshire don't have the capacity to do this. Price said that the budget includes an increase for community health centers that is intended to help them increase capacity.

Several senators brought up substance abuse, the opioid epidemic, and the fact that the funding suggested contradicts the fact that the administration says this is a priority. In response to several questions Price referred to HHS's five-point strategy - recovery and treatment, the availability of overdose reversal drugs, surveillance/public health aspect, NIH research, and pain management. Price also noted work on a vaccine for addiction, the development of non-addictive pain medicine, and looking at how to treat chronic and acute pain. He also noted the recently established Opioid Commission headed by Governor Christie and said he looks forward to what they have to say and what recommendations they will make.

Senator Blunt noted his concern with the cuts to mental health and substance abuse programs, specifically noting the importance of making sure people suffering from mental health issues have resources to get treatment as opposed to getting caught up in the justice system. Price noted that mental health, substance abuse, and childhood obesity are three of HHS' priorities.

Both Senators Leahy and Baldwin (D-WI) inquired as to how the administration can cut Medicaid if one of their priorities is to combat opioid abuse. Leahy and Baldwin noted that the proposed budget cuts will make the problem worse, not better. They wanted to know how the administration can back a plan that takes away resources, coverage, and increases costs for those struggling with addiction if they say addressing opioids is a top priority. Senator Shaheen noted that people in New Hampshire are overwhelmingly getting treatment for substance use disorders through Medicaid and wanted to know what they are supposed to do if those resources are taken away. Price said that the flexibility given to states would allow for more access to resources under the Medicaid program. Shaheen said that flexibility doesn't help if there is no other money or way to get treatment. Leahy noted that he didn't understand how taking money away from Medicaid was going to get more money to the program and said he was interested to see how the strategy works with less money.

Baldwin also said that insurance companies should not be able to charge more to people struggling with addiction/pre-existing conditions. Price said the plan is to make sure all Americans have access to the highest quality coverage, including coverage for substance abuse and addiction. Baldwin wanted to know how this was possible if the guarantee of coverage for essential health benefits is weakened. Price said that coverage for people with pre-existing conditions is a priority of the President and looks forward to working with Congress to ensure that this happens.

Senator Capito (R-WV) thanked Price for his visit to WV, the epicenter of the heroin and opioid epidemic, but noted that the budget proposes cuts to addiction resources and that she is having trouble reconciling HHS's stated goal of opioids being one of their top priorities. Price responded by saying that the amount of resources should not be the judge of success. Shaheen also noted her concern with the proposed funding levels and said that the 21st Century Cures money was meant to be on top of additional spending. In response to a comment Price made about going in the wrong direction, she also noted that in many cases we are just starting to see results since resources from legislation passed last year are just getting to communities.

Capito commented to Price that she wants to see funding targeted to states where there are the most problems, even though some grants are formula funded. Price noted that HHS is locked into formulas from the previous administration, but challenged states to demonstrate best practices and challenges so that grants next year will be based on a different formula and can be responsive to states showing the greatest need.

At the end of the hearing Senator Murray addressed the report that agencies were told to ignore requests from the minority and asked for a commitment from Price to responding to minority inquiries. Price committed to responding to minority questions.

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