

# The Administration's FY 2018 Budget



On Thursday, March 16, the White House released the FY 2018 President's budget, "[America First: A Budget Blueprint to Make America Great Again](#)," (Budget Blueprint). The so-called "skinny budget" is a high level summary of the Administration's proposed funding recommendations. The document is a pre-release of the president's full budget, which will be sent to Capitol Hill in the next seven to ten weeks. This budget does not highlight agency by agency funding levels under the HHS umbrella; however, it does provide a top line look at each department level. The full budget is expected to have a line-by-line breakdown of all funding levels, which we should see around the middle of May. The Budget Blueprint, however, does include specific agency funding and reorganization recommendations of importance to the state and territorial health agencies. ASTHO's official statement on the budget can be found [here](#).

## Proposed Funding Reductions

Among the Administration's recommendations, funding for several health, science, and research programs would be cut.

- HHS: The FY 2018 request for HHS is \$69 billion, a \$15.1 billion or 17.9 percent decrease from the 2017 annualized continuing resolution (CR) level.
- NIH and AHRQ: As stated in the Budget Blueprint, the budget "Reduces the National Institutes of Health's (NIH) spending relative to the 2017 annualized CR level by \$5.8 billion [about -18%] to \$25.9 billion. The budget includes a major reorganization of NIH's institutes and centers to help focus resources on the highest priority research and training activities, including: eliminating the Fogarty International Center; consolidating the Agency for Healthcare Research and Quality within NIH; and other consolidations and structural changes across NIH organizations and activities. The budget also reduces administrative costs and rebalances Federal contributions to research funding."
- CDC, including "preparedness and prevention" programs: Per the Budget Blueprint, the budget "Reforms key public health, emergency preparedness, and prevention programs. For example, the Budget restructures similar HHS preparedness grants to reduce overlap and administrative costs and directs resources to States with the greatest need."
- HRSA: The proposed budget "eliminates \$403 million in health professions and nursing training programs, which lack evidence that they significantly improve the Nation's health workforce. The Budget continues to fund health workforce activities that provide scholarships and loan repayments in exchange for service in areas of the United States where there is a shortage of health professionals."

The largest requested reductions compared to the enacted fiscal 2016 budget would be sustained by the Environmental Protection Agency (30%), Departments of Agriculture (29%), State (29%), Health and Human Services (23%), Labor (21%), Commerce (17%), the Army Corps of Engineers (17%), General Services Administration (17%), and the Department of Housing and Urban Development (15%).

### **Proposed Funding Increases**

The Budget Blueprint proposes certain increases and initiatives in the HHS budget. Those include:

- A Federal Emergency Response Fund to rapidly respond to public health outbreaks, such as Zika.
- Reforming CDC through a new \$500 million block grant to increase state flexibility and focus on the leading public health challenges specific to each state.

Several agencies would also receive a boost from the president's proposal. Compared to 2016, the last year for which a full-year of appropriations has been enacted for every part of the federal government, the Pentagon would get a 10 percent increase; Homeland Security, a 7 percent increase; Veterans Affairs, a 10 percent increase, and nuclear security at the Energy Department would receive an 11 percent increase. While some transportation programs would be slashed, overall the department would see a 13 percent increase.

### **Impact on State and Territorial Health Agencies**

The proposed reductions would have negative impacts on funding at the federal levels, and by extension, state and territorial health agencies. The specific programs to be cut, and at what level, are not specified in the Budget Blueprint. ASTHO will be releasing a complete breakdown of the implications the budget will have on public health once we see the full budget in a couple of months.

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