

Executive Summary

Fiscal Year 2016

**Justification of Estimates
for Appropriations Committees**

**Health Resources and Services
Administration**

**U.S. Department of Health and Human
Services**

Introduction and Mission

The Health Resources and Services Administration (HRSA), an Agency of the U.S. Department of Health and Human Services, is the principal Federal agency charged with increasing access to basic health care for those who are medically underserved. Health care in the United States is among the finest in the world but it is not accessible to everyone. Millions of families still face barriers to quality health care because of their income, lack of insurance, geographic isolation, or language, cultural, or other barriers. In recent years, components of the HRSA-supported safety net, including the Health Center Program, the National Health Service Corps, and a variety of health workforce programs, have expanded to address these and other access problems. However, there are still Americans without health insurance coverage and who need access to affordable health care. The FY 2016 Budget continues to make investments in Federal public health and safety net programs to help these individuals get the medical services they need.

HRSA's mission as articulated in its Strategic Plan for 2010-2015 is: To improve health and achieve health equity through access to quality services, a skilled health workforce and innovative programs. HRSA supports programs and services that target, for example:

- Americans who have trouble accessing health care --many of whom are racial and ethnic minorities,
- Over 50 million underserved Americans who live in rural and poor urban neighborhoods where health care providers and services are scarce,
- African American infants who still are 2.4 times as likely as white infants to die before their first birthday,
- The more than 1 million people living with HIV infection,
- The more than 100,000 Americans who are waiting for an organ transplant.

Focusing on these and other underserved and at-risk groups, HRSA's leadership and programs promote the improvements in access, quality, and equity that are essential for a healthy nation.

Overview of Budget Request

The FY 2016 President's program level request is \$10.4 billion for the Health Resources and Services Administration (HRSA). This is \$45 million above the FY 2015 Enacted Level.

Highlights of the major programs are listed below:

Health Centers -\$809 million in mandatory funding; total program \$4.2 billion – This funding level is projected to serve approximately 28.6 million patients in 2016, an increase of 1.1 million patients over 2015. This request is projected to support 75 new access point grants, and continuation and quality improvement activities for more than 1,300 health centers operating over 9,000 primary care sites, including recognizing centers performing at exceptional levels.

Health Workforce +\$105 million in discretionary funding; +\$635 million in mandatory funding; +\$0.914 million in user fees; total program; \$1.8 billion

- *National Health Service Corps (NHSC)+\$287 million in discretionary; +\$235 million in mandatory; total program \$810 million:* The budget request will fund 11,390 new and continuation loan repayment awards, over 343 new and continuation scholarship awards, approximately 464 state loan repayment awards and 125 students to service loan repayment awards. This request includes new investments to bolster the Nation's health workforce and to improve the delivery of health care across the country. Between FY 2016 and FY 2020, HRSA will devote a total of \$2.6 billion in mandatory funding to the National Health Service Corps to address health professional shortages in high-need rural and urban communities across the country.
- *Targeted Support for the Graduate Medical Education Program:* +\$400 million in new mandatory funding in FY 2016 and a total of \$5.25 billion is requested over FY 2016-FY 2025. Over ten years, this program will support more than 13,000 in community-based ambulatory care settings that provide a range of training experiences that address key health care workforce development needs. The program will advance key workforce goals, including the training of more physicians in primary care and other high need specialties, aligning training with more efficient and effective care delivery models, and encouraging physicians to practice in rural and other underserved areas.
- *Health Professions Training for Diversity:* The Budget includes a net increase of \$3 million for the health workforce diversity programs. The following programs reflects changes:
 - +\$14 million for Health Workforce Diversity Program. This new program will fund activities that create a career pipeline for health professions students that lead directly to service in underserved communities.

- +\$3 million for the Centers of Excellence. This request will provide additional support to qualifying health professions schools to facilitate faculty and student research on health issues particularly affecting Under Represented Minority (URM) groups, strengthen programs to enhance the academic performance of URM students attending the school, and promote faculty development in various areas, including diversity and cultural competency.
 - -\$14 million for Health Careers Opportunity Program (HCOP). Funding for this activity is eliminated as part of the Science, Technology, Engineering, and Mathematics Education consolidation.
 - +\$10 million for Clinical Training in Interprofessional Practice. The goal of this program is to increase the capacity of primary health care teams to: (1) deliver quality, coordinated, safe and efficient care to patients, families and communities and (2) inform academic institutions of the training needed to prepare future health care providers for practice in team-based health care. This request will support approximately 12 awards of approximately \$750,000 per year.
- + \$4 million Rural Physician Training Grants Program. This funding supports a new program that focuses on recruiting and training physician students in rural settings with the goal of increasing the number of medical school graduates who practice in rural communities. This request will support 10 grantees that will train a minimum of 100 students.
- -\$30 million for Area Health Education Centers. It is anticipated that the AHEC Program grantees may be able to support on-going activities through other funding sources. The budget reflects the prioritization of funding to programs that directly increase the number of primary care providers.
 - -\$4 million for Public Health/Preventive Medicine. This request eliminates funding for the Integrated Medicine program.
 - -\$165 million for the Children's Graduate Medical Education Program. The request of \$100 million will support the direct medical expenses for graduate medical education.

Maternal and Child Health +\$97.5 million Mandatory; total program \$1.4 billion – This funding level will support an increase of \$100 million for the mandatory Home Visiting program, and a decrease of -\$2.5 million for Family to Family Health Information Centers. The increase in the Home Visiting program will allow up to 10 additional competitive State awards with 130,000 more home visits and 35,000 more participants served compared to FY2015 targets. The target for Tribal grantees will increase by 11 grantees. The requested funding will continue to support States and Tribal entities as they work with local implementing agencies to maintain programs and to expand home visiting services to additional at-risk communities. The authorization for the Family to Family program expires in FY 2015 and additional funds are not requested.

Instead, families of children with special health care needs can seek support and wrap around services through state grants provided by the Maternal and Child Health Block Grant.

HIV/AIDS +\$4 million; total program \$2.3 billion – The FY 2016 Budget includes \$900 million for the AIDS Drug Assistance Programs (ADAP) to provide access to life saving HIV related medications and health care services to persons living with HIV in all 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam and five Pacific jurisdictions. The Budget proposes to consolidate the Part D Program with the Part C Program. The consolidation expands the focus on women, infants, children and youth across all the funded grantees and will increase points of access for the population. In addition, it reduces duplication of effort and reporting/administrative burden among currently co-funded grantees. By consolidating the two programs, resources are better targeted to points along the care continuum to improve patient outcomes. This will result in more funding for direct patient care services.

Healthcare Systems +\$7 million in discretionary funding; +\$7.5 million in user fees; total programs \$118 million. The Budget includes an increase of \$7 million in discretionary funding for the 340B Program as HRSA significantly increases its commitment to program integrity and compliance. The request would enable full implementation of the statutory obligations for the 340B Program, and enhance oversight of participating manufacturers and covered entities. The Budget also proposes a new cost recovery/user fee program as a long term financing strategy to support program activities.

Rural Health -\$20 million; total program \$128 million- No funding is requested for the Rural and Community Access to Emergency Device program. Activities related to access to emergency medical devices and training in FY 2016 may be addressed through other funding sources available to grantees, such as the Rural Outreach and Rural Network Development programs. The Budget also reflects a decrease of -\$15million for the Rural Hospital Flexibility Grant program. The FY 2016 Budget for the Rural Hospital Flexibility Grant program allows core activities to be targeted to the area of greatest need with a focus on Critical Access Hospitals (CAHs). The Budget will continue to support 45 Flex grant programs to support critical access hospitals and 3 grants to support rural veterans.

Family Planning +\$14 million; total program \$300 million - The Budget will expand family planning services to low income individuals by improving access to family planning centers and preventive services. The Budget request is expected to support family planning services for approximately 4.7million persons, with approximately 90 percent having family incomes at or below 200 percent of the federal poverty level.

Program Management +\$3 million; total program \$157 million – This request supports program management activities to effectively and efficiently support HRSA’s operations.

Overview of Performance

This Performance Budget documents the progress HRSA has made and expects to make in meeting the needs of medically underserved individuals, special needs populations, and many other Americans. HRSA and its partners work to achieve the vision of “Healthy Communities, Healthy People.” In pursuing that vision, HRSA’s strategic goals are to: improve access to quality health care and services, strengthen the health workforce, build healthy communities, and improve health equity. The performance and expectations for HRSA programs are highlighted below, categorized by HRSA goals and HHS strategic objectives to indicate the close alignment of specific programmatic activities and objectives with broader HRSA and Departmental priorities. The examples illustrate ways HRSA helps states, communities and organizations provide essential health care and related services to meet critical needs.

Highlights of Performance Results and Targets

HRSA Goals: *Improve access to quality health care and services; Improve health equity*
HHS Objectives: *Ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations; Emphasize primary and preventive care linked with community prevention services*

HRSA programs support the direct delivery of health services and health system improvements that increase access to health care and help reduce health disparities.

- In FY 2016, the Health Center program projects that it will serve 28.6 million patients. This is an expected increase of 6.9 million over the 21.7 million persons served in FY 2013.
- HRSA expects to serve 34 million children through the Maternal and Child Health Block Grant (Title V) in FY 2016.
- The Maternal, Infant, and Childhood Home Visiting Program made 746,000 home visits to families receiving services in FY 2014, exceeding the target of 450,000. In FY 2016 the number of home visits is expected to reach 935,000.
- In FY 2016, HRSA’s Ryan White HIV Emergency Relief Grants (Part A) and HIV Care Grants to States (Part B) are projected to support, respectively, 1.963 million visits and 1.80 million visits for health-related care (primary medical, dental, mental health, substance abuse, and home health).
- By supporting AIDS Drug Assistance Program (ADAP) services to an anticipated 212,107 persons in FY 2016, HRSA expects to continue its contribution to reducing AIDS-related mortality through providing drug treatment regimens for low-income, underinsured and uninsured people living with HIV/AIDS.

- The number of organ donors and the number of organs transplanted have increased substantially in recent years. In FY 2016, HRSA's Organ Transplantation program projects that nearly 25,800 deceased donor organs will be transplanted, up from 25,435 in FY 2013.
- To increase the number of patients from racially and ethnically diverse backgrounds able to find a suitably matched unrelated adult donor for their blood stem cell transplants, HRSA's C.W. Bill Young Cell Transplantation program projects that it will have 3.34 million adult volunteer potential donors of minority race and ethnicity listed on the donor registry in FY 2016. Nearly 3.1 million were listed on the registry in FY 2013.

HRSA Goal: Strengthen the health workforce

HHS Objective: Ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations

HRSA works to improve health care systems by assuring access to a quality health care workforce in all geographic areas and to all segments of the population through the support of training, recruitment, placement, and retention activities.

- In FY 2014, the National Health Service Corps (NHSC) had a field strength of 9,242 primary care clinicians. The NHSC projects that a field strength of 15,000 primary care clinicians will be in health professional shortage areas in FY 2016.
- In FY 2016, 7,800 health care providers are projected to be deemed eligible for FTCA malpractice coverage through the Free Clinics Medical Malpractice program, an increase of 1,020 providers over FY 2013. The program encourages providers to volunteer their time at sponsoring free clinics.

HRSA Goal: Improve access to quality health care and services.

HHS Objective: Improve health care quality and patient safety

Virtually all HRSA programs help improve health care quality and many do this by focusing on improving the infrastructure of the health care system.

- In FY 2016, 95.7% of Ryan White Program-funded primary care providers are expected to have implemented a quality management program.
- In FY 2016, 93% of Critical Access Hospitals (supported by the Rural Hospital Flexibility Grants program) will report at least one quality-related measure to Hospital Compare. This will be an increase from 87.3% in FY 2012.

In the ways highlighted above and others, HRSA will continue to strengthen the Nation's healthcare safety net and improve Americans' health, health care, and quality-of-life.

Performance Management

Achieving a high level of performance is a Strategic Plan principle and a major priority for

HRSA. Performance management is central to the agency's overall management approach and performance-related information is routinely used to improve HRSA's operations and those of its grantees. HRSA's performance management process has several integrated elements, including priority setting, action planning, and regular monitoring and review with follow-up.

Priority setting is done each fiscal year in which goals, which are linked to HRSA's Strategic Plan, are defined through the process of establishing performance plans for Senior Executive Service (SES) personnel. This process identifies goals that are supported, to the greatest extent possible, by quantitative or qualitative measures and targets. Goal leaders plan for the major actions that must be accomplished to achieve goals. Many of the goals are outcome-oriented and their achievement is largely dependent upon the direct actions of grantees supported by HRSA. Other goals relate to internal processes and organizational functioning that reflect standards for how HRSA does its business.

Performance monitoring is done by:

- a) Assessing achievement of performance measure targets,
- b) Monitoring, through the work of project officers and progress reports, grantees' interim progress and challenges associated with goal achievement, and
- c) Tracking key milestones that indicate, for example, the advancement or completion of major deliverables linked to accomplishment of goals.

Regular reviews of performance occur between goal leaders and the Administrator/Deputy Administrator. These reviews include monthly one-on-one meetings, mid-year and year-end SES performance reviews, and ad hoc meetings called to address emerging issues/problems. The meetings cover progress, successes, challenges, and possible course-corrections. Focused discussions of performance, particularly related to cross-cutting goals, are also held at Senior Staff meetings.

HRSA produces an *Annual Performance Report* that shows trends in performance of HRSA's Bureaus and Offices. The *Report*, posted on-line, provides information for performance assessment purposes and also gives transparency to HRSA's performance results.

All-Purpose Table
Health Resources and Services Administration

(Dollars in Thousands)

Program	FY 2014 Final	FY 2015 Enacted	FY 2016 President's Budget	FY 2016 +/- FY 2015
PRIMARY CARE:				
Health Centers:				
Health Centers	1,396,827	1,391,529	1,391,529	-
Health Centers ACA Mandatory	2,144,716	3,509,111	-	-3,509,111
Health Centers Proposed Mandatory	-	-	2,700,000	+2,700,000
Health Center Tort Claims	94,655	99,893	99,893	-
Subtotal, Health Centers	3,636,198	5,000,533	4,191,422	-809,111
Free Clinics Medical Malpractice	40	100	100	-
Subtotal, PL Bureau of Primary Health Care (BPHC)	3,636,238	5,000,633	4,191,522	-809,111
<i>Subtotal, Mandatory BPHC (non-add)</i>	<i>2,144,716</i>	<i>3,509,111</i>	<i>2,700,000</i>	<i>-809,111</i>
<i>Subtotal, Discretionary BA BPHC (non add)</i>	<i>1,491,522</i>	<i>1,491,522</i>	<i>1,491,522</i>	<i>-</i>
HEALTH WORKFORCE:				
National Health Service Corps (NHSC):				
NHSC	-	-	287,370	+287,370
NHSC Current Law ACA Mandatory	283,040	287,370	-	-287,370
NHSC Proposed Mandatory	-	-	522,630	+522,630
Subtotal, NHSC	283,040	287,370	810,000	+522,630
Loan Repayment/Faculty Fellowships	1,187	1,190	1,190	-
Health Professions Training for Diversity:				
Centers of Excellence	21,657	21,711	25,000	+3,289
Scholarships for Disadvantaged Students	44,857	45,970	45,970	-
Health Careers Opportunity Program	14,153	14,189	-	-14,189
Health Workforce Diversity	-	-	14,000	+14,000
Subtotal, Health Professions Training for Diversity	80,667	81,870	84,970	+3,100
Health Care Workforce Assessment	4,651	4,663	4,663	-
Primary Care Training and Enhancement	36,831	38,924	38,924	-
Oral Health Training Programs	31,928	33,928	33,928	-
Rural Physician Training Grants	-	-	4,000	+4,000
Targeted Support for Graduate Medical Education Proposed Mandatory	-	-	400,000	+400,000
Interdisciplinary, Community-Based Linkages:				

Area Health Education Centers	30,250	30,250	-	-30,250
Geriatric Programs	33,237	34,237	34,237	-
Mental and Behavioral Health	7,896	8,916	8,916	-
Clinical Training in Interprofessional Practice	-	-	10,000	+10,000
Subtotal, Interdisciplinary, Community-Based Linkages	71,383	73,403	53,153	-20,250
Public Health Workforce Development:				
Public Health/Preventive Medicine	18,131	21,000	17,000	-4,000
Nursing Workforce Development:				
Advanced Nursing Education	61,089	63,581	63,581	-
Nursing Workforce Diversity	15,641	15,343	15,343	-
Nurse Education, Practice and Retention	37,913	39,913	39,913	-
Nurse Faculty Loan Program	24,500	26,500	26,500	-
Comprehensive Geriatric Education	4,350	4,500	4,500	-
NURSE Corps Scholarship and Loan Repayment Program	79,785	81,785	81,785	-
Subtotal, Nursing Workforce Development	223,278	231,622	231,622	-
Children's Hospitals Graduate Medical Education	264,335	265,000	100,000	-165,000
National Practitioner Data Bank (User Fees)	27,456	18,814	19,728	+914
Subtotal, PL Health Workforce	1,042,887	1,057,784	1,799,178	+741,394
<i>Subtotal, User Fees HW (non-add)</i>	<i>27,456</i>	<i>18,814</i>	<i>19,728</i>	<i>+914</i>
<i>Subtotal, Discretionary HW (non-add)</i>	<i>732,391</i>	<i>751,600</i>	<i>856,820</i>	<i>+105,220</i>
<i>Subtotal, Mandatory HW (non-add)</i>	<i>283,040</i>	<i>287,370</i>	<i>922,630</i>	<i>635,260</i>
MATERNAL & CHILD HEALTH:				
Maternal and Child Health Block Grant	632,409	637,000	637,000	-
Autism and Other Developmental Disorders	47,099	47,099	47,099	-
Traumatic Brain Injury	9,321	9,321	9,321	-
Sickle Cell Service Demonstrations	4,455	4,455	4,455	-
James T. Walsh Universal Newborn Hearing Screening	17,818	17,818	17,818	-
Emergency Medical Services for Children	20,162	20,162	20,162	-
Healthy Start	100,746	102,000	102,000	-
Heritable Disorders	11,883	13,883	13,883	-
Family to Family Health Information Centers Current Law Mandatory/1	5,000	2,500	-	-2,500
Maternal, Infant and Early Childhood Visiting Program Current Law Mandatory/1	371,200	400,000	-	-400,000
Maternal, Infant and Early Childhood Visiting Program Proposed Mandatory	-	-	500,000	+500,000
Subtotal, Maternal and Child Health Bureau	1,220,093	1,254,238	1,351,738	+97,500
<i>Subtotal, Discretionary MCHB (non add)</i>	<i>843,893</i>	<i>851,738</i>	<i>851,738</i>	<i>-</i>

<i>Subtotal, Mandatory MCHB (non add)</i>	376,200	402,500	500,000	+97,500
<u>HIV/AIDS:</u>				
Emergency Relief - Part A	649,373	655,876	655,876	-
Comprehensive Care - Part B	1,314,446	1,315,005	1,315,005	-
<i>AIDS Drug Assistance Program (non-add)</i>	900,313	900,313	900,313	-
Early Intervention - Part C	205,544	201,079	280,167	+79,088
Children, Youth, Women & Families - Part D	72,395	75,088	-	-75,088
AIDS Education and Training Centers - Part F	33,275	33,611	33,611	-
Dental Reimbursement Program Part F	12,991	13,122	13,122	-
Special Program of National Significance (SPNS)	-	25,000	25,000	-
<i>SPNS Evaluation Funding</i>	25,000	-	-	-
Subtotal, HIV/AIDS	2,313,024	2,318,781	2,322,781	+4,000
<i>Subtotal, Discretionary HIV/AIDS Bureau (non-add)</i>	2,288,024	2,318,781	2,322,781	+4,000
<i>Subtotal, Evaluation Funding HIV/AIDS Bureau (non-add)</i>	25,000	-	-	-
<u>HEALTHCARE SYSTEMS:</u>				
Organ Transplantation	23,490	23,549	23,549	-
National Cord Blood Inventory	11,238	11,266	11,266	-
C.W. Bill Young Cell Transplantation Program	22,054	22,109	22,109	-
Poison Control Centers	18,799	18,846	18,846	-
340B Drug Pricing Program/Office of Pharmacy Affairs	10,212	10,238	24,738	+14,500
<i>340B Drug Pricing Program User Fees (non-add)</i>	-	-	7,500	+7,500
Hansen's Disease Center	15,168	15,206	15,206	-
Payment to Hawaii	1,852	1,857	1,857	-
National Hansen's Disease Program - Buildings and Facilities	122	122	122	-
Subtotal, Healthcare Systems Bureau	102,935	103,193	117,693	+14,500
<i>Subtotal, User Fees HSB</i>	-	-	7,500	+7,500
<i>Subtotal, Discretionary HSB</i>	102,935	103,193	110,193	+7,000
<u>RURAL HEALTH:</u>				
Rural Health Policy Development	9,328	9,351	9,351	-
Rural Health Outreach Grants	56,857	59,000	59,000	-
Rural & Community Access to Emergency Devices	3,356	4,500	-	-4,500
Rural Hospital Flexibility Grants	40,507	41,609	26,200	-15,409
State Offices of Rural Health	9,487	9,511	9,511	-
Radiation Exposure Screening and Education Program	1,829	1,834	1,834	-
Black Lung	6,749	6,766	6,766	-

Telehealth	13,865	14,900	14,900	-
Subtotal, Office of Rural Health Policy	141,978	147,471	127,562	-19,909
PROGRAM MANAGEMENT	152,677	154,000	157,061	+3,061
FAMILY PLANNING	285,760	286,479	300,000	+13,521
Appropriation Table Match	6,039,180	6,104,784	6,217,677	+112,893
Funds Appropriated to Other HRSA Accounts:				
Vaccine Injury Compensation:				
Vaccine Injury Compensation Trust Fund (HRSA Claims)	224,000	230,000	237,000	+7,000
VICTF Direct Operations - HRSA	6,464	7,500	7,500	-
Subtotal, Vaccine Injury Compensation	230,464	237,500	244,500	+7,000
Discretionary Program Level:				
HRSA	6,091,636	6,123,598	6,244,905	+121,307
Vaccine Direct Operations	6,464	7,500	7,500	-
Total, HRSA Discretionary Program Level	6,098,100	6,131,098	6,252,405	+121,307
Mandatory Programs:	2,803,956	4,198,981	4,122,630	-76,351
Total, HRSA Program Level	8,902,056	10,330,079	10,375,035	+44,956
Less Programs Funded from Other Sources:				
<i>PHS Evaluation Fund Appropriation</i>	<i>-25,000</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>User Fees</i>	<i>-27,456</i>	<i>-18,814</i>	<i>-27,228</i>	<i>-8,414</i>
<i>Mandatory Programs</i>	<i>-2,803,956</i>	<i>-4,198,981</i>	<i>-4,122,630</i>	<i>+76,351</i>
Total HRSA Discretionary Budget Authority	6,045,644	6,112,284	6,225,177	+112,893

/1 FY 2015 amounts reflect funding appropriated by Congress in P.L. 113-93, the Protecting Access to Medicare Act of 2014