# Policy At A Glance:

## Health Provisions in President Biden's FY 2024 Budget Proposal

On March 9, 2023, President Biden released the Fiscal Year (FY) 2024 budget proposal, which aims to invest in America, lower costs for families, protect and strengthen Social Security and Medicare, reduce the deficit, and more. This policy brief will provide an overview of key health provisions outlined in President Biden's FY 2024 budget proposal.

### Introduction

On March 9, 2023, President Biden released a \$6.9 trillion budget request outlining the Administration's proposal for federal spending for Fiscal Year 2024, which begins on October 1, 2023.<sup>1,2,3</sup> The budget request details a blueprint to grow the economy from the bottom up and the middle out; lower costs for families; protect and strengthen Medicare and Social Security; and ensure that taxes will not be raised on anyone earning less than \$400,000 a year.<sup>3,4</sup>

Among other areas, the FY 2024 budget proposal requests \$144 billion in discretionary funds for the Department of Health and Human Services (HHS), which is responsible for protecting and promoting Americans' health and wellbeing through research, public health, and social services programs.<sup>3,5</sup> The budget addresses urgent challenges many Americans are facing, including a growing behavioral health crisis, a need to prepare for future public health threats, and a large influx of unaccompanied children and refugees.<sup>5</sup> Furthermore, this budget works to secure a healthier future for all Americans by advancing health equity through expanding coverage and access to care, addressing the needs of those most at risk, and advancing science to improve health.<sup>3,5,6</sup>

This brief will provide an overview of key health provisions outlined in President Biden's FY 2024 budget proposal.

# General Budget Process Timeline<sup>7</sup>

**February** President submits the budget request.

**April 1** Senate Budget Committee reports resolution on the budget.

April 15 Congress completes action on the budget resolution.

May 15 House Appropriations
Committee reports last
annual appropriation bill.

June 30 House completes action on annual appropriation bills.

October 1 New fiscal year begins.

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## Making Healthcare More Accessible and Affordable

## **Expand Access to Quality, Affordable Healthcare**

The FY 2024 budget proposes to invest \$150 billion over a 10-year span to improve and expand Medicaid home and community-based services, such as personal care services, which allow older Americans and individuals with disabilities to remain in their homes. The proposed \$150 billion would improve the quality of jobs for home care workers and support family caregivers. Additionally, the budget pushes to make permanent

Additionally, the budget pushes to make permanent the expanded premium tax credits that the Inflation Reduction Act extended and to provide Medicaid-like coverage to individuals residing in states that have not adopted the Medicaid expansion under the Affordable Care Act.<sup>3</sup>

#### Reduce Drug and other Healthcare Costs

Building on the Inflation Reduction Act, the FY 2024 budget continues the effort to reduce the cost of prescription drugs. This includes limiting Medicare Part D cost-sharing for high value generic drugs,

such as those used to treat chronic diseases such as hypertension and high cholesterol, to no more than \$2. Additionally, the budget includes proposals to hold back inflation in prescription drug prices and cap the prices of insulin products at \$35 per month.<sup>3</sup> For more information on the Inflation Reduction Act, please refer to IHPL's November 2022 policy brief titled *Inflation Reduction Act (H.R. 5376)*.

#### **Transform Behavioral Healthcare**

Currently, the United States is facing a behavioral health crisis with nearly one in four adults 18 and older having a mental illness in the past year. Suicide is the second leading cause of death for young adults aged 18-24. Furthermore, more than 46 million people had a substance use disorder, of which 94% did not receive treatment. Therefore, under Medicare, the budget aims to lower patients' costs for mental health services, requires parity in coverage between behavioral health and medical benefits, and expands coverage for behavioral health providers.<sup>3</sup>

#### The Cancer Moonshot Initiative

Launched in 2016, the Cancer Moonshot Initiative aims to reduce the cancer death rate by 50% within 25 years and to improve the lives of people with cancer, cancer survivors, their families, and caregivers.<sup>3,8,9</sup> The budget requests a \$7.8 billion investment for the National Cancer Institute through 2026 for the Cancer Moonshot Initiative. Furthermore, as the Biden-Harris Administration works to address tobacco use, the single largest driver of cancer deaths in the US, the budget also requests an investment of \$258 million for tobacco prevention and control efforts at the Centers for Disease Control and Prevention, including tobacco cessation activities to help individuals quit.<sup>3</sup>



## Other Health Provisions Proposed in the FY24 Budget

#### **Family Planning Services**

For more than 50 years, Title X family planning clinics have played a critical role in ensuring access to a broad range of high-quality family planning and preventive health services. The budget proposes \$512 million for the Title X Family Planning Program to increase the number of patients served to 4.5 million.<sup>3</sup>

#### Advancing Maternal Health and Health Equity

The U.S. has one of the highest maternal mortality rates among developed nations, with disproportionally high rates for Black, American Indian, and Alaska Native women. The budget requests \$471 million to reduce maternal mortality and morbidity rates; expand maternal health initiatives in rural communities; implement implicit bias training for healthcare providers; create pregnancy medical home demonstration projects; and address the highest rates of perinatal health disparities. Additionally, the budget requests that all states provide continuous Medicaid coverage for 12 months postpartum. Furthermore, the budget would continue to support the maternal health hotline as well as screening and treatment for maternal depression and related behavioral disorders.3

# Advancing Child and Family Wellbeing in the Child Welfare System

The budget proposes to expand and incentivize the use of evidence-based foster care prevention services to keep families together and reduce the number of children entering foster care. The budget proposes \$50 million in grants for states and localities to advance reforms that would reduce the overrepresentation of children and families of color

in the welfare system, address the disparate experiences and outcomes of these families, and provide families with the support they need to remain together. Additionally, \$215 million is requested for states and community-based organizations to respond to and prevent child abuse.<sup>3</sup>

# **Preparation for Future Pandemics and Strengthening Public Health Systems**

To better prepare for future biological threats, which could emerge with increasing frequency, the budget requests \$20 billion in mandatory funding for HHS public health agencies. Furthermore, the budget requests \$10.5 billion in discretionary funding to build public health capacity to respond to emerging threats, including surveillance, laboratory, and public health workforce capacities at the CDC and at the state and local levels. Additionally, \$50 million is requested for the Public Health Emergency Fund to ensure HHS can respond to emerging public health threats without delay.<sup>3</sup>

## Investments in the Treatment and Prevention of Infectious Diseases

The budget aims to invest in the treatment and prevention of infectious diseases, including vaccine preventable diseases, by supporting comprehensive programs that would expand access to curative and preventative medications. Additionally, the budget proposes a new Vaccines for Adults program to provide uninsured adults with access to routine and outbreak vaccines at no cost and expands the Vaccines for Children program to include all children under age 19 enrolled in the Children's Health Insurance Program.<sup>3</sup>

#### Conclusion

President Biden's FY 2024 budget request makes critical, targeted investments in the American people that aim to improve health and wellbeing and promote economic growth for decades to come.<sup>3,6</sup> These investments will address urgent needs to lower drug costs, support public health preparedness to prevent future outbreaks, improve the health and wellbeing of mothers and children, make childcare affordable, expand access to healthcare, and advance research in medicine, public health, and social services.<sup>3,4</sup> The President's budget request is the first step in the annual appropriations process. Using the budget request as a foundation, the U.S. House of Representatives and the U.S. Senate will begin to develop their own budget resolutions and appropriations in the coming weeks and months before the next fiscal year begins.<sup>2</sup>



## Did you know?

The U.S. government has spent \$2.46 trillion in fiscal year 2023 to ensure the wellbeing of the people of the United States, an 8% increase from the \$2.28 trillion in fiscal year 2022.<sup>10</sup>

#### References

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