DEPARTMENT OF HEALTH AND HUMAN SERVICES FISCAL YEAR 2023 BUDGET

HEARING

BEFORE THE

COMMITTEE ON THE BUDGET
HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTEENTH CONGRESS

SECOND SESSION

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DEPARTMENT OF HEALTH AND HUMAN SERVICES FISCAL YEAR 2023 BUDGET

WEDNESDAY, APRIL 6, 2022

HOUSE OF REPRESENTATIVES
COMMITTEE ON THE BUDGET
Washington, DC.

The Committee met, pursuant to notice, at 2:06 p.m., at 210 Cannon Building, Hon. John A. Yarmuth [Chairman of the Committee] presiding.

Present: Representatives Yarmuth, Jeffries, Higgins, Boyle, Doggett, Schakowsky, Kildee, Horsford, Lee, Chu, Plaskett, Wexton, Scott, Jackson Lee; Smith, Grothman, Smucker, Burgess, Carter, Cline, Boebert, Donalds, Feenstra, Good, and Carey.

Chairman YARMUTH. This hearing will come to order. Good afternoon and welcome to the Budget Committee's hearing on the Department of Health and Human Services Fiscal Year Budget. At the outset, I ask unanimous consent that the Chair be authorized to declare a recess at any time. Without objection, so ordered.

I will start by going over a few housekeeping matters. We will likely have votes during this hearing and will have to recess briefly. Because our witness has a hard stop time this afternoon, I strongly encourage Members to return promptly after votes to ensure they have time to question the witness.

Now, the Committee is holding a hybrid hearing. Members may participate remotely or in person. For individuals participating remotely, the Chair or staff designated by the Chair may mute a participant's microphone when the participant is not under recognition for the purpose of eliminating inadvertent background noise. If you are participating remotely and are experiencing connectivity issues, please contact staff immediately so those issues can be resolved.

Members participating in the hearing room or on the remote platform are responsible for unmuting themselves when they seek recognition. We are not permitted to unmute Members unless they explicitly request assistance. If you are participating remotely and I notice that you have not unmuted yourself, I will ask if you would like staff to unmute you. If you indicate approval by nodding, staff will unmute your microphone. They will not unmute your microphone under any other circumstances.

I would like to remind Members participating remotely in this proceeding to keep your camera on at all times, even if you are not under recognition by the Chair. Members may not participate in more than one committee proceeding simultaneously. If you are on the remote platform and choose to participate in a different proceeding, please turn your camera off.

Finally, we have established an email box for submitting documents before and during Committee proceedings and we have distributed that email address to your staff.

Now, I will introduce our witness.

This afternoon we will be hearing from the Honorable Xavier Becerra, Secretary of the Department of Health and Human Services.

I now yield myself five minutes for an opening statement.

Secretary Becerra, I am not sure if it still feels strange to be on this side of the dais, but it is always great to welcome a friend to our committee. Thank you again for testifying today on the President's proposed 2023 budget for the Department of Health and Human Services. I also want to commend your leadership during what has been an incredibly difficult time for our nation as we continue to battle the COVID pandemic and its impact on American families.

When considering this budget proposal, it is important to look back to the beginning of this crisis. To put it bluntly, our public health system was woefully unprepared for COVID–19. Years of irresponsible austerity under the budget caps took a toll on our public health infrastructure and readiness. Former President Trump had gutted key public health agencies and, in an astonishingly shortsighted move, disbanded a White House Council charged with pandemic preparedness. Vaccine development was underway, but there was no distribution plan in place.

Fast-forward one year. The American Rescue Plan has now helped us make considerable headway in the fight against COVID–19. It put in place a massive vaccination campaign, invested in state and local public health systems, and lowered health care costs for millions of Americans. Thanks to the American Rescue Plan, more than 216 million Americans have now been fully vaccinated against COVID–19, and American families saved an average of $2,400 on their annual health insurance premiums this past year.

But we can't wait for the next pandemic, or rely on emergency action, to ensure our public health systems are up to the task. That is why the Biden budget request for HHS meets the needs of today, while strengthening our public health system for decades to come.

This starts with an overall discretionary funding level of $127 billion for HHS, more than $13 billion over 2022 funding levels, along with major investments in our public health systems and surge capacity so we are prepared for future pandemics and biological threats. The Biden budget increases discretionary CDC funding by 28 percent and expands no-cost access to vaccines, including a new program to provide all recommended vaccines to uninsured adults for free.

This budget proposes the smart, forward-looking investments we need. It invests heavily in research and development, including $5 billion for the newly established ARPA-H initiative to accelerate development of treatments and cures for devastating diseases, including cancer, diabetes, and Alzheimer's. The budget puts us on track to meet President Biden's goal of cutting cancer death rates by 50 percent over the next 25 years, which would save 300,000 lives and hundreds of billions of dollars annually, and lays out a

strategy to reduce HIV infection by 75 percent over next three years.

Two years of this pandemic have had far-reaching consequences for our society. This budget recognizes that. And it puts forth real resources to address challenges that COVID exposed and exacerbated.

It dramatically expands mental health benefits and coverage. It lowers costs for mental health services by requiring private plans to cover mental health benefits and takes steps to address the persistent shortage of behavioral health providers. And it makes historic investments in youth mental health services and suicide prevention.

This budget targets systemic health disparities and invests in vulnerable communities that have historically been left behind or ignored. This includes investments to lower America's unacceptably high maternal mortality rate, especially among Black and Native women, and substantial increases in funding for low-income women's health care through the Title X Family Planning Program. And, recognizing our obligations to Tribal communities, this budget provides $142 billion for Indian Health Services over the next decade, guaranteeing a stable funding source for IHS going forward.

Finally, the Biden budget invests in our nation's children, with sizable increases for the Child Care and Development Block Grant program and Head Start.

We have learned a lot from this devastating pandemic, and chief among those lessons is that our public health systems must be adequately funded and fully equipped to combat public health threats before they emerge. We cannot afford the human and economic costs of being unprepared again. This budget ensures that the next time we are hit with a health threat, and we will be, our public health infrastructure is ready to respond.

It is also about making major discoveries, which will change the outlook for millions of Americans facing debilitating and life-threatening illnesses. The budget's massive investments in research and development will undoubtedly lead to new treatments and cures. It will save lives.

Secretary Becerra, your Department has put forth a responsible, compassionate, and forward-looking budget. Thank you again for your leadership and for appearing before our Committee today. I look forward to your testimony.

With that, I would like to yield to the Ranking Member, Mr. Smith, five minutes for his opening statement.

[The prepared statement of Chairman Yarmuth follows:]

Chairman John A. Yarmuth
Hearing on Department of Health and Human Services FY 2023 Budget
Opening Statement
April 6, 2022

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Mr. SMITH. Thank you, Mr. Chairman. Welcome, Secretary, back to the Budget Committee. It is good to have you. It is good to have you in person.

As the head of HHS, you oversee one of the largest budgets in the entire federal government—annually well over $1 trillion. For 2023, President Biden's budget has proposed giving you a 12 percent raise to $1.7 trillion. And over the past two years, Congress has also given your Department trillions more to fight COVID. Such levels of funding demand a thorough examination of how, when, and where you have chosen to deploy those resources.

When the Biden Administration came into power, it inherited two authorized and incredibly effective vaccines, therapeutics, testing, and a national distribution network. Yet, somehow, the government seemed to have its worst response yet to the pandemic in 2021. In his first month in office, President Biden shut down Operation Warp Speed—the Trump Administration program that had set you all up for success. In March 2021, Democrats passed their $2 trillion American Rescue Plan, claiming it was urgently needed for "COVID relief." But less than 9 percent of those funds went directly to fighting the virus. Dozens of examples of billions of dollars worth of waste as a result of this law have been documented: taxpayer dollars going to build parking lots, golf courses, luxury apartments, and sports stadiums, among others. Your department diverted $1 billion from an NIH study for long-COVID to house illegal immigrants at the border. You then back filled NIH's funding with money meant for COVID vaccines and testing. Last summer, you re-routed even more money—$2 billion to be exact—this time from the American Rescue Plan to house illegal immigrants.

In short, our own government is using taxpayer dollars to prioritize illegal immigrants over its citizens.

Over Christmas we saw a massive testing shortage. Thousands of people stuck freezing, in long lines, waiting for tests. It was later revealed during a Senate hearing by officials in your own department that the Biden Administration failed to place new testing orders for the first nine months of 2021. Such failures were not the result of a lack of funding t The American people have given generously and have sacrificed a great deal. These failures point to a lack of leadership and decisionmaking at the highest levels of the Biden Administration. Remarkably, the Biden Administration got $2 trillion and ended up less prepared to battle COVID.

The funding request in the President's budget comes out to an 11 percent raise for HHS—that is not including the tens of billions in extra emergency COVID money the White House is currently asking for, but fails to account for. That same budget cuts border security too. Clearly the Administration has learned nothing over the past year. The sad truth is that the President's budget fails to address the crises his Administration has created. In fact, it only makes them worse.

Since President Biden took office, there have been more than 2.9 million border encounters, a 426 percent increase over the previous year. Over 12,000 pounds of fentanyl, enough to kill every man, woman, and child in America, have been seized by border patrol. In response, just last week, your department revoked Title 42—knowing full well it will lead to more illegal immigration.

The mission of your department is to enhance the health and well-being of all Americans. And yet this budget that you are advocating eliminates protections for the unborn. It rejects the long-standing bipartisan prohibition against federal tax dollars going toward abortions.

With credible concerns about COVID–19 originating from the labs in Wuhan, China, the budget does not prohibit funding for viral research in China. Nor does it increase oversight on taxpayer funded research. Reports indicate you allow teachers unions to edit CDC guidance that ultimately harmed millions of children by keeping schools closed. There is nothing in this budget that acknowledges or seeks to rectify those mistakes.

Everywhere you look in this budget, enshrined are the failed policies that brought us to where we are today. I hope, Secretary, you are ready for some questions, because the American people have a lot of questions, and they want answers.

Thank you and I yield back, Mr. Chairman.

[The prepared statement of Jason Smith follows:]

BUDGET | HOUSE BUDGET REPUBLICANS

Rep. Jason Smith
Republican Leader

Smith Opening Statement: President Biden's HHS FY23 Budget

April 6, 2022
As prepared for delivery

Thank you, Mr. Chairman.

Welcome, Secretary Becerra.

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Thank you, I yield back.

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Chairman YARMUTH. I thank the Ranking Member for his opening remarks.

In the interest of time, I ask that any other Members who wish to make a statement submit their written statements for the record to the email inbox we established for receiving documents before and during Committee proceedings. We distributed that email address to your staff. I will hold the record open until the end of the day to accommodate those Members who may not yet have prepared written statements.

Once again, I want to thank Secretary Becerra for being here this afternoon. The Committee has received your written statement and it will be made part of the formal hearing record.

You will have five minutes to give your oral remarks and you may begin when you are ready.

STATEMENT OF THE HONORABLE XAVIER BECERRA, SECRETARY,U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Secretary BECERRA. Chairman Yarmuth, Ranking Member Smith, and Members, thank you for having me. Thanks for letting me come back to the Budget Committee.

Today more than 255 million Americans have received at least one dose of a COVID–19 vaccine, two-thirds of adults over age 65 have gotten their booster shots. And we have also closed the gap in vaccine rates we usually see for communities often left behind. It has paid dividends to surge resources, including tests and treatment to our hardest hit and highest risk communities. 325 million free COVID–19 at home tests shipped out, 270 million free N95 masks made available. From the $186 billion appropriated by Congress for the provider relief fund, $766,000 payments to over 400,000 providers who have received payments for COVID–19 services. That is over 400,000 doctors, hospitals, community health centers, pharmacies, labs, nursing homes, and long-term care facilities, all receiving this critical support.

This is real money, real relief, real results.

On Monday I had a chance to meet with Medicare beneficiaries who are now able to purchase their over-the-counter COVID–19 tests with their red, white, and blue Medicare card. Mr. Chairman, this marks the first time that Medicare has covered an over-the-counter test at no cost to beneficiaries. That is a game changer.

Beyond COVID–19, today more Americans have insurance for their healthcare than ever before. That includes a record breaking 14.5 million Americans who now have secured their health insurance through the Affordable Care Act. That is a big deal.

Also this week the Biden Administration is issuing a rule that will fix the health insurance family glitch, which leaves out family members from affordable coverage. Less noticed, but just as important, we launched Operation Allies Welcome, an HHS led effort that has helped over 68,000 Afghan brothers and sisters resettle as refugees in America.

And we are coordinating nearly $300 million in support nationwide for the launch of the 988 national suicide prevention lifeline later in July.

HHS has also made key investments to close holes in our public health system in areas like maternal health, where we have extended Medicaid coverage for postpartum care for a new mother and her baby from two months to 12 months. The President's 2023 budget lets us build on that record of investment in America's health. It proposes $127 billion in discretionary budget authority and $1.7 trillion in mandatory funding, including a historic investment to transform the mental health infrastructure in our country, a priority I know many of you share.

It also asks for $82 billion for the President's Pandemic Preparedness proposal to get ready for whatever might come next after COVID–19. Considering that COVID has cost this country more than $4.5 trillion in direct support from the federal government so far, this $82 billion investment is a no brainer to prepare for the next pandemic. The funding we are requesting as well would be end to end, which mean it would be for research, development, approvals, deployment, and effective response.

Budgets represent not just dollars and investments, but our values and our priorities. This budget turns hardship into hope, inclusion into opportunity. And it is a commitment to finish the fight against COVID–19 and build a healthier America.

On that note, I want to acknowledge our collective national failure to fund the Indian Health Services at the level needed to meet our constitutional treaty and our trust obligations to Tribal Nations in America. But even more importantly, the elemental level needed to provide fair and sufficient resources for Indian Country. I have seen these shortfalls firsthand in my visits to Indian Country. We must be serious about meeting our constitutional and legal obligations to address the health needs of more than 2.7 million patients served by IHS. The President's Fiscal Year budget takes a historic first step toward finally delivering on our long overdue commitments to Tribal Nations.

In my written testimony I detail our proposal to convert the IHS budget to mandatory funding and to bolster it significantly over the next 10 years. This budget is strong and it is a great start, but we must continue to shine a light and hold ourselves accountable on our promises.

Mr. Chairman and Members of this Committee, I look forward to working with you to make the President's 2023 budget a reality and to continue our efforts to give Americans real relief, real results, and real peace of mind.

With that, I am prepared to answer any questions.

[The prepared statement of Xavier Becerra follows:]

TESTIMONY OF SECRETARY XAVIER BECERRA
BEFORE THE HOUSE COMMITTEE ON THE BUDGET
April 6, 2022

Chairman Yarmuth, Ranking Member Smith, and Members of the Committee, thank you for the opportunity to discuss the President's Fiscal Year (FY) 2023 Budget for the Department of Health and Human Services (HHS). I am pleased to appear before you today, and I look forward to continuing to work with you to serve the American people.

HHS addresses many of the challenges facing our country today—ending the COVID-19 pandemic, reducing health care costs, expanding access to care, improving health equity, ending HIV/AIDS, enhancing child and family well-being, addressing the overdose epidemic, and strengthening behavioral health—and we are making meaningful progress on these priorities. Our work has never been more important, and I am honored to lead HHS at this critical moment.

The Budget advances the HHS mission to enhance and protect the health and well-being of all Americans. We are proud to be Congress' partner in supporting the American people, and we are grateful for the funding you have provided in support of the HHS mission. We take very seriously our commitment to ensure we are good stewards of every dollar in our budget.

Before I dive deeper, I first want to reflect on the Department's incredible achievements over the past year to save lives and improve health. Thanks to our work to develop and distribute vaccines and boosters, over 215 million Americans are fully vaccinated against COVID-19, and two-thirds of adults over age 65 have gotten their booster shots– an unprecedented accomplishment that saves lives every day. HHS procured and provided life-saving antivirals, monoclonal antibodies, and ongoing testing support, with more to come. To date, HHS has provided critical support that resulted in the emergency use authorization (EUA) of 3 vaccines (2 of which are now fully licensed), 7 therapeutics, and 29 diagnostics against COVID-19. HHS has procured millions of COVID-19 treatment courses for Americans, and is supporting the President's pledge to directly provide 1 billion tests to American households for free. Testing capacity has dramatically increased, and we've supplied free, high-quality masks to the American people. HHS has invested $250 million in U.S.-based manufacturing of personal protective equipment (PPE) and $950 million in manufacturing the supplies and equipment needed for vaccines, therapeutics, and diagnostic tests to strengthen the public health supply chain. We distributed Provider Relief Funds to support healthcare providers hit hard by the pandemic, and to reimburse providers for testing, treatment, and vaccine administration for uninsured patients. We provided guidance to support the safe return to the classroom, enabling schools nationwide to reopen.

As the President has said, it is critical to get Americans back to our more normal routines, while still protecting people from COVID-19, preparing for new variants, and preventing economic and educational shutdowns. HHS contributions over the past two years position our country to move forward safely, and we look forward to working with you to continue these efforts.

The country has seen historic increases in health insurance enrollment through the Marketplaces, with a record 14.5 million people signed up for 2022 healthcare coverage during the latest Marketplace Open Enrollment Period. Uninsured rates fell last year after the American Rescue Plan Act took effect, and continue to fall due to the success of innovative and targeted consumer outreach campaigns. We are implementing initiatives like the No Surprises Act, which establishes new federal protections against certain kinds of surprise medical bills. We are preparing for the expansion of the Suicide Lifeline with

the 9-8-8 implementation that will launch this summer. Working with our interagency partners, we also launched interagency initiatives like Operation Allies Welcome, a whole-of-government effort that helped over 68,000 Afghans to permanently resettle in 2021.

HHS has made key investments to address disparities and improve equity and launched new efforts to protect vulnerable communities who bear the brunt of climate change. We are prioritizing rural health and the needs of our Tribal partners. We released a new HHS Overdose Prevention Strategy and made significant investments in behavioral health. It is also an Administration priority to advance legislation that helps lower costs for families, including for child care, preschool, and long-term care, and I look forward to working with Congress to achieve this together.

The President's Budget will enable us to continue these critical efforts and achieve our mission in FY 2023. The FY 2023 Budget proposes $127.3 billion in discretionary and $1.7 trillion in mandatory budget authority, including newly proposed mandatory funding for the Indian Health Service and an historic mandatory funding request to transform our ability to protect the nation from future pandemics and other biological threats. These investments support families through early education, behavioral health, and access to care. The Budget demonstrates the Administration's commitment to reinvesting in public health, research, and development to drive growth and shared prosperity for all Americans by making major investments in priority areas, including overdose prevention, mental health, maternal health, cancer, and HIV/AIDS. COVID-19 has shown that health inequities and insufficient Federal funding leave communities vulnerable to these crises. The Budget advances equity and helps ensure our programs serve people of color and other underserved communities with the opportunities promised to all Americans.

Tackling COVID-19 and Preparing for the Next Biological Threat

First, I want to highlight that although HHS has made tremendous progress in the fight against COVID, we now face a dire moment. As you know, the Administration requested $22.5 billion for immediate needs to avoid severe disruptions to our COVID response. We requested these funds as emergency resources, in the same way Congress provided multiple times on a bipartisan basis under the prior Administration. We face unavoidable impacts of not receiving these resources. Testing and treatment capacity will decline. The uninsured fund – which offers coverage of testing, treatments, and vaccinations for tens of millions of Americans who lack health insurance – will run out of money and stop paying provider claims. Already, it has stopped accepting provider claims for testing and treatments reimbursement, with the same soon to follow for vaccinations. Many Americans will no longer be able to access life saving monoclonal antibodies and antiviral drugs. We will be unprepared for a new variant and unable to provide life-saving vaccines to the American people. It is critical that we work together to avoid these and other severe consequences.

Beyond the need for investment in immediate COVID-19 response requirements, the FY 2023 budget builds on Congress' response investments to transform our preparedness for biological threats and strengthen national and global health and health security. The Budget includes a historic $81.7 billion in mandatory funding over five years across the Office of the Assistant Secretary for Preparedness & Response (ASPR), CDC, the National Institutes of Health (NIH), and the Food and Drug Administration (FDA) to support the Administration's vision for pandemic preparedness.

This request provides $40 billion to the Office of the Assistant Secretary for Preparedness and Response to invest in advanced development and manufacturing of countermeasures for high priority threats and viral families, including vaccines, therapeutics, diagnostics, and personal protective equipment. It provides $28 billion for the Centers for Disease Control and Prevention (CDC) to enhance public health

system infrastructure, domestic and global threat surveillance, public health workforce development, public health laboratory capacity, and global health security. It provides $12.1 billion to NIH for research and development of vaccines, diagnostics, and therapeutics against high priority biological threats; biosafety and biosecurity research and innovation to prevent biological incidents; and safe and secure laboratory capacity and clinical trial infrastructure. The Budget also includes $1.6 billion for the Food and Drug Administration to expand and modernize regulatory capacity information technology, and laboratory infrastructure to support the evaluation of medical countermeasures.

Collectively, these activities will build capabilities the nation urgently needs to respond to future pandemics and biological threats from any source, strengthen international systems so that we can detect threats early and respond to threats quickly, and enable us to boldly and decisively act on the lessons from COVID-19.

In addition to this mandatory investment, the Budget also funds critical ongoing response and preparedness efforts through discretionary budgets. The HHS Coordination Operations and Response Element (H-CORE) within ASPR is responsible for coordinating the development, production, and distribution of COVID-19 vaccines and therapeutics. The Budget requests $133 million for H-CORE, which is critical to beat COVID-19 and for future emergency response efforts beyond the pandemic, as ASPR builds an enduring response infrastructure. These resources will support the necessary staffing, acquisition support, and data analytics for COVID-19 countermeasures when emergency funding is no longer available to cover these costs.

The Budget requests $828 million for the Biological Advanced Research and Development Authority (BARDA), to develop novel medical countermeasure platforms to enable quicker, more effective public health and medical responses to detect and treat infectious diseases. The Budget also requests $975 million for the Strategic National Stockpile to sustain and expand the current inventory of supplies to ensure readiness for potential future pandemics.

COVID-19 has shown the importance of timely, reliable data to respond effectively to public health threats. The Budget makes robust investments in science and public health to improve and protect health at home and abroad, including at CDC for public health infrastructure and capacity, data modernization, global public health protection, and the Center for Forecasting and Outbreak Analytics. The Budget also includes $197 million to expand state, local, tribal, territorial, and international capacity to combat antibiotic resistance at CDC, as well as an HHS-wide mandatory proposal to encourage the development of innovative antimicrobial drugs.

Advancing Science and Research

The Budget prioritizes research and scientific advancement. We are grateful for the support from Congress to establish the Advanced Research Projects Agency for Health (ARPA-H), and the Budget proposes $5.0 billion to revolutionize how to prevent, treat, and even cure a range of diseases including cancer, infectious diseases, Alzheimer's disease, and many others. This funding is part of a proposed $49.0 billion in discretionary funds for NIH to continue its incredible track record of turning discovery into health. NIH invests in basic research and translation into clinical practice to address the most urgent challenges including preparing for future pandemics, reducing health disparities and inequity, driving innovative mental health research, and ending the overdose crisis.

The Budget proposes investments in NIH, CDC, and FDA to reignite the President's Cancer Moonshot with an ambitious goal to reduce the death rate from cancer by at least 50 percent over the next 25 years, improve the experience of people and their families living with and surviving cancer, and end cancer as

we know it today. The Budget includes increases for CDC to enhance a range of cancer related programs and for FDA's Oncology Center of Excellence.

The Budget proposes $6.8 billion for FDA to continue to work with developers, researchers, manufacturers, and other partners to help expedite the development and availability of therapeutic drugs and biological products, and to apply the best science in its food and tobacco work. The Budget also proposes $527 million program level resources for the Agency for Healthcare Research and Quality (AHRQ) to support evidence-based research, data, and tools to make healthcare safer, higher quality, more accessible, equitable, and affordable for all Americans.

Importantly, the Budget also includes $25 million for CDC and $20 million for AHRQ to launch Centers for Excellence to study long COVID conditions and equip health care providers and systems to deliver patient-centered, coordinated care for this patient population.

Reducing Health Care Costs and Expanding Access to Care

To enhance the health and well-being of all Americans, the Budget makes access to more affordable health care a top priority. The Affordable Care Act (ACA), bolstered by the American Rescue Plan, has expanded health insurance coverage to historic numbers of Americans and the Budget builds on that legacy.

The American Rescue Plan made groundbreaking investments in the ACA by expanding premium subsidies to make coverage affordable for millions more Americans. As I mentioned earlier, a record-breaking 14.5 million people have signed up for 2022 health care coverage through the Marketplaces during the latest Marketplace Open Enrollment Period, including nearly 6 million people who have newly gained coverage. The American Rescue Plan lowered health care costs for most consumers and increased enrollment to record levels. In fact, consumers saw their average monthly premium fall by 23% compared to the prior open enrollment period. As you know, the American Rescue Plan subsidies will expire at the end of 2022 and without new legislation this will result in millions of Americans losing this more affordable coverage. I look forward to working with the Congress on this key priority. We are also concerned about millions of vulnerable Americans who could lose their Medicaid coverage when the COVID-19 Public Health Emergency ends. To address this concern, CMS has provided multiple rounds of guidance to state Medicaid and CHIP agencies that include a robust selection of best practices and recommended strategies allowed under current law when returning to routine operations after the Public Health Emergency ends. For example, recently, CMS released a State Health Official Letter that extends the time states have to process Medicaid redeterminations after the end of the Public Health Emergency from 12 months to 14. HHS is also working to increase awareness of coverage options through targeted outreach campaigns and making renewal of coverage for those eligible easier to navigate. We also look forward to working with the Congress to find solutions to providing coverage options for the nearly 4 million Americans in non-covered states. Additionally, the Administration supports strengthening home and community-based services as an alternative to institutionalized care, to ensure people have access to safe options that work for them.

Rising health care costs affect all Americans. HHS has taken steps to increase competition, improve transparency, and strengthen consumer protections. Under the No Surprises Act, a critical bipartisan law passed by Congress, HHS continues to implement the law that shields consumers from certain kinds of surprise medical bills and requires greater transparency from providers. HHS also issued a proposed rule to make hearing aids available to individuals over-the-counter that can help provide consumers with more affordable options and lead to a more competitive market.

I look forward to working with the Congress to lower health care costs and expand and improve coverage for all Americans. Reaffirming the President's charge in his State of the Union address, we will work to lower the costs of prescription drugs, such as by capping the cost of insulin at $35 per month, and to allow Medicare to negotiate payment for certain high-cost drugs.

During the COVID-19 public health emergency, telehealth has been a reliable resource for providers to reach patients directly in their homes to ensure access to care and continuity of services. The Administration is committed to supporting a temporary extension of broader telehealth coverage under Medicare beyond the declared COVID-19 Public Health Emergency to study its impact on utilization of services and access to care. I want to thank Congress for provisions included in the FY 2022 Omnibus spending bill that extend Medicare telehealth flexibilities for 5 months after the end of the public health emergency.

Additionally, the COVID-19 pandemic highlights the importance of vaccines and prevention. Long-standing, deep disparities exist in adult vaccination coverage based on race and ethnicity, particularly among Black and Hispanic populations as compared to other groups. The Budget proposes Vaccines for Adults, a new mandatory program modeled after the existing Vaccines for Children (VFC) program, to provide uninsured adults with access to vaccines, free of charge, that are recommended by the Advisory Committee on Immunization Practices. The Budget further expands the VFC program to include all children under age 19 enrolled in the Children's Health Insurance Program. The Budget also includes a proposal to consolidate Medicare coverage of vaccines under Part B, which will make vaccines more accessible, remove financial barriers, and streamline the process for Medicare beneficiaries and providers.

The Budget continues to support the fourth year of the Ending the HIV Epidemic initiative with $850 million in funding across CDC, HRSA, IHS, and NIH for FY 2023. The initiative is critical to achieve President Biden's plan to end the HIV/AIDS epidemic by 2030 and ensure access to HIV prevention, care, and treatment. HHS works closely with communities to support the four key strategies – Diagnose, Treat, Prevent, and Respond – to end the HIV epidemic. The Budget also creates a national program that invests $9.8 billion over 10 years to provide a financing and delivery system to ensure everyone has access to pre-exposure prophylaxis, also known as PrEP, and essential wraparound services.

Tackling Health and Human Services Disparities

Advancing equity is at the core of the Budget. HHS works to close the gaps in access to healthcare and human services to advance equitable outcomes for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality. HHS is committed to carrying out the President's Executive Order 13985 on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government. Even before the pandemic, we were not doing enough to provide equitable preventive measures, services, and treatment options in every community – and COVID has only made this disparity worse.

Maternal mortality in the United States is significantly higher than most other developed nations and is especially high among Black and Native American/Alaska Native women, regardless of their income or education levels. The Biden-Harris Administration is committed to promoting maternal health and ensuring equitable access to affordable, quality healthcare for our nation's mothers. The Budget invests over $470 million across AHRQ, CDC, HRSA, IHS, and NIH to reduce maternal mortality and morbidity. This includes increased funding to CDC's Maternal Mortality Review Committees and other Safe Motherhood programs, HRSA's State Maternal Health Innovation Grants program and a new Healthy Start program initiative, and other maternal health programs across HHS.

The Budget also invests in maternal and broader women's health and health equity, including $86 million for the Office of Minority Health to focus on areas with high rates of adverse maternal health outcomes and areas with significant racial or ethnic disparities. In addition, the Budget also includes $42 million for the Office on Women's Health to fund prevention initiatives that address health disparities for women.

Black and Latino/Hispanic people, along with American Indian/Alaska Native people, are much less likely than white people to have health insurance. Evidence shows that expanding coverage is not only essential for facilitating equitable access to health care, but also is associated with reduced morbidity and mortality, poverty reductions, and protection from debilitating financial bills. The Budget supports policies to promote a stronger and more equitable health insurance system beginning with new requirements for data on race and ethnicity in Medicare.

The Budget also invests $35 million for a new initiative to systematically identify and resolve barriers to equity in each Centers for Medicare & Medicaid Services (CMS) program through research, data collection and analysis, stakeholder engagement, building upon rural health equity efforts, and technical assistance. CMS is committed to obtaining more accurate and comprehensive race and ethnicity data on Medicare beneficiaries, and to require reporting on social determinants in post-acute healthcare settings. CMS also proposes to add Medicare coverage for services furnished by community health workers who often play a key role in addressing public health challenges for underserved communities. These proposals will help identify, mitigate, and lessen health disparities.

Health Centers are the first line of defense in addressing behavioral health issues nationwide when resources are available. This is particularly true for underserved populations, including low-income patients, racial and ethnic minorities, rural communities, and people experiencing homelessness. The Budget provides $5.7 billion for health centers, including $3.9 billion in mandatory resources.

The COVID-19 pandemic has further disrupted access to reproductive health services and exacerbated inequalities in access to care. HHS commits to protecting and strengthening access to reproductive healthcare, and the Budget proposes $400 million to the Title X family planning program to address increased need for family planning services. Title X is the only federal grant program dedicated solely to providing individuals with comprehensive family planning and related preventive health services in communities across the United States.

The Budget increases services to prevent child maltreatment and the need for foster care, and supports states in moving towards child welfare systems that provide more tailored and comprehensive prevention services to a broader, more diverse group of families. Prevention services and support are particularly important for at-risk Black, Latino, Indigenous, Native American, and members of other under-served communities, which have disproportionate involvement with the child welfare system.

The Budget provides $3.1 billion for the Administration for Community Living (ACL), reflecting significant demand increases for critical services caused by population growth and pandemic impacts. ACL supports caregivers and advances equitable access to health care, education, employment, transportation, recreation, and other systems, resources, and opportunities. ACL advances equity by targeting those in greatest social and economic need, with particular attention on people with disabilities and older adults who are marginalized due to race, ethnicity, sexual orientation, gender identity, poverty, language spoken, and who are at risk of institutionalization.

Lastly, the Budget takes a historic first step toward redressing health disparities faced by American Indians and Alaska Natives by proposing all funding for the Indian Health Service (IHS) as mandatory. In FY 2023, the Budget provides $9.3 billion, which includes $147 million in current law funding for the

Special Diabetes Program for Indians. This substantial funding increases of $2.5 billion above FY 2022 enacted will support direct healthcare services, facilities and IT infrastructure, and management and operations. It also provides targeted increases to address key health issues that disproportionately impact American Indians and Alaska Natives such as HIV, Hepatitis C, opioid use, and maternal mortality. With current law funding for the Special Diabetes Program for Indians, the total program level for IHS is $9.3 billion in FY 2023.

To address chronic underinvestment in IHS, the Budget increases funding for each year over ten years, building to $36.7 billion in FY 2032. This increase of 296 percent over the ten-year budget window accomplishes funding growth beyond what can be accomplished through discretionary spending. Over a five-year period, the budget will reduce existing facilities backlogs, fully fund the level of need identified by the Federal-Tribal Indian Health Care Improvement Fund workgroup and support the modernization of the IHS electronic health record system. Additionally, the Budget grows IHS funding to keep pace with inflation and population growth. This request responds to the long-standing recommendations of tribal leaders shared in consultation with HHS to make IHS funding mandatory, and HHS will continue consulting with tribes to inform future policy and budget requests. HHS appreciates the strong partnership with Congress to grow funding for the IHS budget over the last decade, and looks forward to continuing our shared efforts to improve health care in Indian Country.

Strengthening Behavioral Health

HHS is committed to combating America's mental health and substance use crises. The pandemic has had a devastating impact on mental health, particularly for young people, by dramatically changing Americans' experience of home, of school, of work, and in their communities. The President has outlined a bold strategy for tackling the nation's mental health crisis, calling for an increased focus on building system capacity, connecting more people to care, and creating a continuum of support to keep people healthy and help Americans thrive. I also recently launched a National Tour to Strengthen Mental Health, to hear directly from Americans across the country about the mental health and substance use challenges they're facing and to engage with local leaders to strengthen the mental health and crisis care system in our communities. We are also working with the Department of Education to develop and align resources to ensure children have the physical and behavioral health services and supports that they need to build resilience and thrive. Individuals who develop substance use disorders are often also diagnosed with mental disorders—the budget addresses the significant connection between mental health and substance use by investing in a broad spectrum of behavioral health services.

The Budget includes new, historic mandatory investments in totaling $51.7 billion over ten years to address the nation's behavioral health crisis. In support of the President's call for reforming our mental health care system to fully meet the needs of our communities, the Budget includes a new $7.5 billion Mental Health Transformation Fund, allocated over a 10 year period, to increase access to mental health services through workforce development and service expansion, including through health care and community settings that have not traditionally provided mental health services but that are well-positioned to reach more people. The Mental Health Transformation Fund will also support the expanded use of evidence-based practices for mental health care, to ensure that families and communities affected by mental illness receive the highest quality care and supports.

The Budget improves Medicare coverage of mental healthcare and makes access to such care more affordable by eliminating the 190-day lifetime limit on psychiatric hospital services and requiring Medicare to cover three behavioral health visits per year without cost-sharing. In addition, the Budget would recognize licensed professional counselors and marriage and family therapists as independent practitioners who are authorized to furnish and receive direct Medicare payment for their mental health

services, aligns the criteria for psychiatric hospital terminations from Medicare with that of other healthcare providers, and applies the Mental Health Parity and Addiction Equity Act to Medicare.

Additionally, the Budget establishes a Medicaid provider capacity demonstration program for mental health treatment and establishes a performance bonus fund to improve behavioral health services in Medicaid. The Budget also expands and converts the Demonstration Program to Improve Community Mental Health Services into a permanent program. Further, the Budget prevents states from prohibiting same day billing and allows providers to be reimbursed for Medicaid mental health and physical health visits provided to a Medicaid beneficiary that occur on the same day and requires that Medicaid behavioral health services, whether provided under fee-for-service or managed care, be consistent with current and clinically appropriate treatment guidelines.

For people with private health insurance, the Budget requires all health plans to cover mental health and substance use disorder benefits and ensures that plans have an adequate network of behavioral health providers. The Budget also establishes grants to states to enforce parity between mental and substance use disorder and other medical benefits.

The Budget also proposes $20.8 billion in discretionary funding for behavioral health programs in FY 2023, including significant investments in mental health programs such as the National Suicide Prevention Lifeline, a free, confidential 24/7 phone line that connects individuals in crisis with trained counselors across the United States. The Lifeline receives calls from people with substance use; depression; mental and physical illness; economic worries; loneliness; and concerns about relationships and sexual identity. Ensuring the success of the Lifeline particularly as it transitions to the universal 3-digit number 988 is a top priority for HHS.

To support the health workforce, the Budget includes $397 million for Behavioral Health Workforce Development Programs and $25 million in the National Health Service Corps funding specifically for mental health providers. The Budget also includes $50 million for the Health Resources and Services Administration (HRSA) for Preventing Burnout in the Health Workforce. This investment will provide crucial support for health workforce retention and recruitment, which is essential for addressing current and future behavioral health workforce shortages.

Suicide remains the second leading cause of death among young people between the ages of 10 and 34. Many youth, especially young people of color, Indigenous youth, and LGBTQ+ youth, still lack access to affordable healthcare coverage that is necessary for them to receive treatment for mental health conditions.

The Budget also includes $308 million for Project AWARE and the Mental Health Awareness Training program to expand support for comprehensive, coordinated, and integrated state and tribal efforts to adopt trauma-informed approaches and increase access to mental health services. School and community-based programs like Project AWARE have been shown to improve mental health and emotional well-being of children at low cost and high benefit. Prevention is an investment in our future, and it lowers adverse outcomes with high societal impact.

According to CDC data, drug overdose deaths increased nearly 30 percent in 2020. Last fall, I announced the release of a new, comprehensive HHS Overdose Prevention Strategy for the nation, designed to increase access to the full range of care and services for individuals with substance use disorders and their families. This new strategy focuses on the multiple substances responsible for overdose and the diverse treatment approaches needed to address them.

The Budget invests $11.0 billion to combat the overdose crisis across HHS in support of four key target areas—primary prevention, harm reduction, evidence-based treatment, and recovery support – and reflects the Biden-Harris Administration principles of equity for underserved populations, reducing stigma, and evidence-based policy.

The Budget also proposes $553 million for Certified Community Behavioral Health Centers Expansion Grants to provide coordinated, high-quality, comprehensive behavioral health services. The Budget also proposes to remove the word "abuse" from the agency names within HHS—including the Substance use And Mental Health Services Administration, the National Institute on Alcohol Effects and Alcohol-Associated Disorders, and the National Institute on Drugs and Addiction. Individuals do not choose to "abuse" drugs and alcohol; they suffer from addiction, which is a chronic medical condition. It is a high priority for this Administration to move past outdated and stigmatizing language that is harmful to these individuals and their families.

Supporting Children, Families, and Seniors

HHS has a responsibility to ensure our programs serve children equitably, and the high-quality care of children positively impacts their success later in life. The Budget proposes $20.2 billion in discretionary funding for the Administration for Children and Families' early care and education programs. This includes $12.2 billion for Head Start to provide services to more than a million children, pregnant women, and families, $7.6 billion for the Child Care and Development Block Grant, and $450 million for Preschool Development Grants to increase capacity of states to expand preschool programs.

The Budget expands home visiting programs over five years to provide economic assistance, child care, and health support for up to 165,000 additional families at risk for poor maternal and child health outcomes. This funding will help strengthen and expand access to home visiting programs that provide critical services directly to parents and their children in underserved communities.

The mandatory budget includes a $4.9 billion expansion of services to prevent child maltreatment and the need for foster care. For children who must be removed from their parents, the Budget includes $1.3 billion in support for states to prioritize placing children with kin, as well as a $3 billion increase for programs to stabilize and support families and adoptive families, and a $1 billion increase in support for the transition to adulthood for youth who experienced foster care. While not part of HHS's budget, the Budget proposes to make the adoption tax credit fully refundable so that more families can benefit and to expand the credit to include qualifying legal guardianships.

We face a public health crisis of violence in our communities, which disproportionately affects communities of color. The Budget includes $250 million for CDC for the Community Violence Intervention initiative, in collaboration with Department of Justice to implement evidence-based community violence interventions at the local level, as well as funding for firearm violence prevention research. The Budget also promotes prevention of and early intervention after adverse events, like community violence, to mitigate longer term impacts, including $15 million for CDC to advance surveillance and research aimed at preventing Adverse Childhood Experiences. The Budget also includes $519 million for ACF's Family Violence Prevention and Services programs, including $250 million to provide direct cash assistance to survivors of domestic violence.

The Budget supports FDA's public education campaigns to educate youth about the dangers of e-cigarette use; provide resources to educators, parents, and community leaders to prevent youth use; and provide resources to help kids who are already addicted to e-cigarettes quit using these harmful products. The

Budget includes $812 million for FDA's tobacco program, an increase to enhance product review and evaluation, research, compliance and enforcement, public education campaigns, and policy development.

The Administration for Community Living (ACL) protects seniors and persons with disabilities from abuse through investments in Adult Protective Services and the Long-Term Care Ombudsman Program. As the populations served by ACL continue to grow, the Budget provides $139 million to protect vulnerable older adults. The Budget also bolsters ACL's role as an advocate for older adults and people with disabilities.

Refugees and Unaccompanied Children

Amid the COVID-19 pandemic, large numbers of unaccompanied children continue to arrive at our Southern border. HHS is committed to fulfilling our legal and humanitarian responsibility to care for all unaccompanied children (UC) referred to us by federal partners. The FY 2023 Budget includes $6.3 billion in discretionary funding for the Office of Refugee Resettlement, including $4.9 billion for the unaccompanied children program so that HHS may continue to care for UC safely and humanely, in alignment with child welfare best practices. The Budget also proposes a mandatory contingency fund to provide additional funds if there is a surge in UC referrals, as well as mandatory funding to build towards universal UC legal representation. HHS is committed to unifying these children with vetted sponsors, usually a parent or close relative, as safely and quickly as possible, and the Budget includes funding to implement critical programmatic reforms and service expansions. The Budget also builds on the nation's refugee infrastructure to support resettling of up to 125,000 refugees in 2023, and requests authority to use these funds to support the successful reunification of families who were cruelly separated under the Trump Administration.

Improving Safety and Oversight Nursing Homes

Building on the President's State of the Union Address, the Budget is committed to ensuring nursing homes are safe and providing high quality care to vulnerable Americans by increasing funding for nursing home health and safety inspections by nearly 25 percent. Additionally, by increasing nursing home owners' accountability for minimum quality standards, noncompliant facilities can be held financially responsible for poor safety and care. The Budget also requests authority to publish accreditation surveys for other healthcare facilities, like hospitals, rural health clinics, and ambulatory surgical centers, which will better inform the public when selecting care locations for loved ones. The Administration also supports strengthening home and community-based services to ensure people have access to safe options that work for them.

Funding Core Program Operations

While the service provided by HHS continues to grow, investment in the Department's operational needs ensures HHS can carry out its mission to enhance and protect the health and well-being of all Americans while maximizing our resources. This investment strengthens administrative and operational resources throughout the Department needed to ensure proper stewardship of resources entrusted to HHS by Congress.

Providing Oversight and Program Integrity

Given the importance and magnitude of HHS' work, ensuring the integrity of our spending is a core value and responsibility of HHS. The Budget increases discretionary Heath Care Fraud and Abuse Control program spending to a total of $899 million to provide oversight of CMS health programs, strengthen

OIG investigations, and protect beneficiaries against healthcare fraud, yielding a return-on-investment of $13.6 billion over ten years. The pandemic has unleashed new health care fraud risks related to the implementation of billions in new federal spending, as well as multiple provider regulatory and other flexibilities. These funds are critical to help HHS root out bad actors and ensure program integrity.

Conclusion

I want to thank the Committee for inviting me to discuss the President's FY 2023 Budget for HHS. The Budget offers a vision for the nation that reinvests in America's health, supports growth and prosperity, and meets our commitments to the American people and especially to the most vulnerable. I look forward to working with you to fulfill that vision. If we step up in this moment, we can lay the foundation now. These are critical programs and issues that deserve attention and adequate funding. Thank you for your partnership in advancing our shared goal to improve the health, safety, and well-being of our nation.

Chairman YARMUTH. Thank you very much, Mr. Secretary.

And we will now begin our question and answer session. As a reminder, Members can submit written questions to be answered later in writing. Those questions and responses will be made part of the formal hearing record. Any Members who wish to submit questions for the record may do so by sending them electronically to the email inbox we have established within seven days of the hearing.

Let me also say that I—because of the constraints we have today, a vote series that will interrupt the hearing for probably at least 45 to 50 minutes, I am going to be very strict with the gavel. And any Member who runs their time down to the last 10 seconds and asks a question, I am going to gavel them down and then ask for the response to be made in writing afterwards. That is fair to—I think fair to the witness and again will help us expedite the hearing.

So, with that, I now yield five minutes to the gentleman from Texas, Mr. Doggett.

Mr. DOGGETT. Thank you very much, and thank you, Mr. Secretary, for your important service.

As you know, one of my principal concerns has been price gouging by pharmaceutical companies. I know that you have been here recently to ask the Congress to provide supplemental COVID funding, which is no doubt needed. But I just want to indicate—before I vote for it, I want a better idea of what taxpayers have already paid for COVIDfunding to date. It is billions of dollars to pharmaceutical manufacturers. And I think it is very important that your Administration do more than has been done to date to be transparent about that. The only contracts of those pharmaceutical contracts that have been released to the public have been heavily redacted. It is not sufficient to just stamp them top secret or trade secret to deny access to the public about the pricing and terms of those contracts. And I just hope you will review that with your staff and find a way to make more available to the public generally about what is in these contracts.

And going forward, I think it is really important on the contracts that you enter that there be reasonable pricing clauses wherever the taxpayer has funded the research, as happened 100 percent on Moderna vaccine, so that there is a preserved interest of the taxpayer in the investment that has been made.

You know, I don't believe there has been a president in the history of the United States who said more about the damage being done by the pharmaceutical industry than President Trump. Unfortunately, he did next to nothing about it. And it is pretty clear that this Congress still remains under a strangle hold from Big Pharma. If anything is to occur meaningfully to protect American consumers and taxpayers from pharmaceutical price gouging, it will have to come from this Administration. There are many things that the Administration could do on its own initiative. One small one is to proceed to grant the hearing that is pending now on the price of XTANDI, a prostate cancer drug that was developed with U.S. Army and NIH grants to determine whether it is fairly priced to consumers and what standards should apply. I would just ask you to review that and ways that the Administration can be helpful in

responding so that at the end of this year this Administration's record is better than the Trump Administration's record. And it won't have to do much in order to achieve that objective.

A second area you know that I am very concerned about is the coverage gap. A significant number of people—2 million in Texas according to CMS standards and over 6 million across the country—have been left out and left behind because of the failure of states to do their part with Medicaid expansion. I hope you will continue to make that a top priority to close that coverage gap. The provisions that are proposed in Build Back Better concerning adding these people into marketplace plans is a good way to address it. If that can't be achieved, as you know, I have a COVER Now Act that is designed to let cities, hospital districts, contract directly, perhaps demonstration projects. We could cover in just three cities in Texas half of the people that have been left out and left behind.

So just to encourage you to work in all those areas.

And, finally, one of the areas that I know you are working in already concerns President Biden's pledge to address the suffering that is occurring in our nursing homes across the country. The pandemic has exposed so many deficiencies, poor infection control, little corporate accountability, inadequate staffing, poor working conditions. President Obama had an excellent set of standard that he was proposing that had been dropped over the last four years. This is the type of action that family advocates across the country, like Sissy Standards in Austin, have been seeking. Perhaps you could just describe in the minute you have the general direction that you are taking on nursing homes and when you think we might see some reforms.

Secretary BECERRA. Congressman, thank you for the question. Good to see you.

On nursing homes, we are going to try to work as aggressively and as swiftly as we can to undertake the President's proposals. One of those would be to strengthen the work force. A second one would be to do much more oversight. We intend to try to make sure that the staffing levels at these nursing homes are adequate so that they meet the needs of the residents who are there. We want to make sure that the moneys that we are providing, whether through the Medicare program, Medicaid program. If there are any government dollars that are being provided that we are getting our money's worth. And the most important thing we could tell you is that with your support, and if you continue to provide us with the resources that we need, we will be able to do some vigorous oversight. But first and foremost, we have to make sure that those nursing homes are keeping people safe from COVID, we have to make sure that they are providing—they are fully equipped and they are adequately staffed to make sure that they are providing pursuant to their charter.

Chairman YARMUTH. For emphasis, echoes for emphasis.

The gentleman's time has expired.

I now recognize the Ranking Member, Mr. Smith, for 10 minutes.

Mr. SMITH. Thank you, Mr. Chairman.

Secretary, Operation Warp Speed under President Trump set the country up for success in its battle against COVID–19 going into

2021 with two effective and authorized vaccines, therapeutics, testing, and a national distribution network. Given that, why was the Biden Administration's response to COVID in its first year full of so many stumbles, given the tools provided and systems already in place when you all walked in the door?

Secretary BECERRA. Congressman, thank you for the question.

And I want to take you back to where we were when President Biden took office. Less than 1 percent of Americans had received a vaccine. And we had a situation where the efforts were not nationally coordinated and we had to stand up an infrastructure to make sure that we could get not just vaccines, but therapeutics out. There was not one single therapeutic that—medicine that any American could take that would be available orally for that individual. There were at the time very few provisions for treatment. The tests that people would be—need to take, there were no tests available to Americans that they could take at home. And things have changed. As I said in my opening testimony, today more than 255 million Americans have received a shot in the arm, more than 560 million vaccines have been administered overall, when you count boosts and the rest, and we have now made available hundreds of millions of tests, we have ordered and paid for hundreds and most cases thousands of the therapeutic medicines that some people need who have contracted COVID. Night and day. Today we are opening up. We have gone through two major variants in that one year, and both more potent than the original natural virus. And so what we see is that progress has been made, but we are not yet out of the woods.

Mr. SMITH. Thank you, Secretary.

One of the big concerns to me is this past year it appears that it was marked with a lot of chaos on the response front. There were more COVID deaths in 2021 than in 2020—in fact, by 102,882 more to be exact. And this Administration started out with the vaccine. At least it was created. That is 128 percent more in COVID deaths in 2021 than 1920. Again, the vaccines were approved whenever you all walked through that door. And conflicting guidance coming from your CDC, masking, no masking, when to open, when not to open, contributed not just to confusion but undoubtedly to more Americans getting sick or suffering other consequences.

You gave yourself $2 trillion in additional so called COVID relief funding on top of the $4 trillion Congress had already enacted. In retrospect, might it have been a bad decision to dedicate less than 9 percent of the $2 trillion from the American Rescue Plan to combatting COVID–19, particularly given the fact you are now asking for more money to Congress?

Secretary BECERRA. Congressman, first I would be interested in seeing your math, because I don't think it is accurate in terms of how we have deployed the resources that were given to us.

We know here at HHS that what we have done with the money that you have made available. First, we say thank you for those who voted for those resources because they have been indispensable. But we have used them to be able to make available those hundreds of millions of vaccines to all Americans. No American is denied a vaccine to date, no American has had to pay a penny for

those vaccines. We now have the therapeutic medicines that help you stay alive if you do contract COVID.

Mr. SMITH. So, Mr. Secretary, I just want to know, you feel like that there was enough money in the $2 trillion bill that—how much was allocated to HHS in the $2 trillion bill that passed Congress a year ago was sufficient?

Secretary BECERRA. Congressman, I will take every penny you all give us and we will make——

Mr. SMITH. Was it sufficient that was passed of the $2 trillion?

Secretary BECERRA. We used every bit of it and we are beginning to now run out of that gas to keep it going. And we will need more——

Mr. SMITH. Thank you. Thank you, Secretary.

I will just say we found numerous examples and my team would be more than happy to show that less 9 percent of the $2 trillion actually went toward killing the virus. But the numerous examples that we did find was billions of taxpayer dollars being wasted—planting thousands of trees, building a high-end hotel, a spa, and golf courses, renovating a baseball stadium, new weight rooms, luxury apartments. The list goes on that was in that $2 trillion COVID package. How does spending $2 million of taxpayer dollars on planting trees in Syracuse, New York help fight COVID?

Secretary BECERRA. Congressman, what I can tell you is what we have done with the money that we received and what we——

Mr. SMITH. Does planting trees in Syracuse, New York help fight COVID?

Secretary BECERRA. As I said, I can speak to you what we did with our money and we have made very good use of the money keeping Americans alive and healthy.

Mr. SMITH. I will take that as a no. And I also think that sending $1,400 checks to Japanese citizens living in Japan did not help stop COVID. I wonder what that is all about.

But there seems to be a lot of decisionmakers in this Administration. We have Gene Sperling as the American Rescue Plan Czar, we have Jeff Zients as the COVID Response Coordinator. It makes me wonder who is ultimately responsible for making decisions on whether it is appropriate for state and local officials to spend $4 million building a new beach parking lot in South Carolina or $250 million of COVID relief on state parks in Michigan. Where does the buck stop? With you, Mr. Sperling, Mr. Zients, President Biden? Who is making those decisions?

Secretary BECERRA. Congressman, if you have any questions about the way HHS has deployed its resources, I am more than willing to answer those questions. We feel very confident that what we can show is the American people are receiving real results as a result of the work that was done by HHS employees nationwide.

Mr. SMITH. You know, I appreciate that. Maybe from the prior $2 trillion COVID bill we shouldn't have used $783 million in stimulus checks to convicted prisoners, including the Boston Marathon Bomber.

Since I do want to talk about resources that were delegated to the HHS in that spending bill, let's jump to that. Can you tell us how much funding your department has spent over the past year

plus to fly illegal immigrants from the border to various communities across the country?

Secretary BECERRA. If you are asking for the last 365 days, it might be more difficult. But I can give you an idea generally of what we have done with some of the money that we have received.

Mr. SMITH. Did you use any of the money in the HHS budget to fly illegals from the Southern Border to other communities in the country, yes or no?

Secretary BECERRA. We have an obligation, Congressman, to make sure that that those migrant children who are unaccompanied by an adult have a safe place to stay while they are temporarily going through their immigration process. We—housing those——

Mr. SMITH. So you did?

Secretary BECERRA. Well, we house some of those immigrant children until we are able to find a sponsor, if we are able to find a sponsor who will house that immigrant while the child is waiting for its hearings.

Mr. SMITH. So can you tell me within this budget, show me in this budget where you are planning to use taxpayer dollars to fly illegal immigrants from the border to various communities throughout this country? And how many taxpayer dollars do you estimate you will spend in the months to come in such flights? Where is it at in the budget?

Secretary BECERRA. You can find the information under the—I am sorry, the Office of Refugee Resettlement that deals with the unaccompanied migrant children. And what we are obligated to do by law is take possession and custody of a child once they have been placed in the hands of Department of Homeland Security. They are only allowed to keep those children for a short amount of time. We must then take them and we place them in a facility that is able to care for children. Not all of those facilities are there on the border, in American communities along the border. So we do make sure that we place, if we can, in a licensed care facility that is able to care for children.

Mr. SMITH. Also, there has been a lot of conversation about money being transferred, $2 billion in fact, that was taken from the strategic stockpile and for COVID testing, that was used with illegals at the Southern Border. Where was the authority to do that?

Secretary BECERRA. So I am not sure where you brought the strategic stockpile in, but what I can tell you is that the COVID moneys that we have used, including some of the moneys to address the needs of those migrant children, because of COVID they were not immune from getting COVID and we would have to do the systems and the processes necessary to make sure that they were tested, make sure that they were not COVID positive, so they would not infect others around them, including the children. And so we did use some of the COVID money made available through Congress to address the COVID related concerns and services necessary for migrant children.

Mr. SMITH. I see my time is running out in seven seconds.

Secretary, thank you for being here.

Secretary BECERRA. Thank you.

Chairman YARMUTH. The——

Mr. DOGGETT. Mr. Chairman?

Chairman YARMUTH. Yes, the gentleman from Texas.

Mr. DOGGETT. The Ranking Member raises a number of examples that concern me and I think it would be helpful if you could put the information you were going to give Secretary Becerra into the record so that we can evaluate those, determine if those were decisions made in the huge bill that we approved or by state and local governments using that money or where it was spent. I don't think any but the last you discussed had anything to do with the Secretary of Health and Human Services, but it is something that our Committee in our oversight role certainly needs to look to see if this money was misspent in any way.

So I just ask that you do that.

Chairman YARMUTH. Is the gentleman willing to do that?

Mr. SMITH. I am more than happy to submit to the record. Also, I would love for this Committee to have an oversight hearing so we could look into the—how the money was spent. We have sent a request to the Chairman and it would be awesome if we could just not submit to the record but actually have a hearing and a discussion of oversight of $2 trillion.

[Articles submitted for the record follows:]

Ranking Member Jason Smith Submission for the Record

House Committee on the Budget Committee Hearing April 6, 2022

Witness: The Honorable Xavier Becerra, Secretary, U.S. Department of Health and Human Services

As highlighted in the hearing by the Ranking Member, and requested by Representative Doggett, the following news articles depict multiple instances of misuse, waste, and diversion of funds from the American Rescue Plan Act.

- The city of Providence, Rhode Island is using $4 million from the American Rescue Plan to revamp a park by building a new visitors' center and bike share.
- Palm Beach Gardens, Florida is planning for a taxpayer-funded $16.8 million golf course, driving range, and clubhouse.
- The Small Business Administration granted a $3.7 million grant to a basketball hall of fame in Springfield, Massachusetts.
- Michigan Governor Gretchen Whitmer's budget spends $250 million of the state's "COVID relief" money to upgrading state parks and trails.
- Broward County, Florida worked around Treasury Department rules to spend $140 million from the American Rescue plan on a 29-story luxury hotel.
- The Edward M. Kennedy Institute will use $5 million from ARPA to pay off its debts. This is the same institute that honored former Governor Andrew Cuomo for "inspired leadership" during the COVID-19 pandemic, though it was later reported he overruled health officials to hide the extent of nursing home deaths in the state of New York.
- A school district in Texas approved $4 million in COVID-19 funds to expand a city-owned nature park and bird sanctuary. The funds were specifically denoted for "Elementary and Secondary School Emergency Relief."
- Pottawattamie County, Iowa used $2 million from the American Rescue Plan to acquire a ski area.
- Japanese citizens living in Japan receiving $1,400 stimulus checks from the U.S. government. Up to 70,000 foreign nationals who at one time lived in the U.S. may have qualified for these checks.
- Countless school districts have spent American Rescue Plan "COVID relief" dollars on new weight rooms, turf fields, and resurfaced outdoor tracks.
- Despite "Help Wanted" signs in stores across the country, the city of Chicago is spending $31 million to create a guaranteed income program.
- The city of Norwich, CT is using at least $800,000 from the American Rescue Plan to develop luxury apartments.
- The city of Syracuse, New York plans to spend $2 million of federal taxpayer dollars to plant 3,600 trees.
- The state of Delaware is using $40 million of their "COVID" funds from the American Rescue Plan Act on building and expanding libraries.
- Republicans warned that the American Rescue Plan Act would provide stimulus checks to prisoners including murderers and terrorists, yet the media dismissed it and Democrats voted against proposed protections. Unsurprisingly, it was revealed that the Boston Marathon bomber received a $1,400 COVID-relief payment.
- Upwards of $2 billion from the American Rescue Plan was sent to nonexistent county governments in states such as Connecticut and Rhode Island.

- Fort Bend County, Texas plans to spend $157 million on a multimillion-dollar courtroom expansion, new government buildings and vehicles, and government audio-visual tools, despite the County Judge's objection that this spending included "many items that have little or nothing to do with helping the county recover from the pandemic."
- The Biden Administration diverted over $2 billion in health care funding away from things like developing Covid-19 testing capabilities to instead respond to its self-created border crisis. The United States is now facing a testing crisis.
- The City Council of Binghamton, New York voted to spend $659,000 to repair the roof and ceiling in their chambers.
- The state of California received over $26 billion in federal aid despite having a massive $75.7 billion budget surplus. Governor Newsom proposed using some of this surplus to send $600 checks to residents- regardless of citizenship status.

Here's how Providence plans to spend $42 million of Biden relief money

PROVIDENCE, R.I. (WPRI) — City leaders have advanced a new plan to spend $42 million of federal relief funds on a slew of items including youth summer programming, homelessness interventions, a welcome center at Roger Williams Park and small business relief.

Providence is expecting to receive about $164 million from the American Rescue Plan Act (ARPA), signed by a President Biden in March, and officials at City Hall say they intend to convene a task force this summer to help determine how to spend most of the money.

But before the task force has even convened, the City Council Finance Committee on Thursday night approved an ordinance to spend $42 million of the funds now. Mayor Jorge Elorza helped craft the ordinance.

Roughly $19 million of that amount is set aside to make up for revenue lost during the pandemic. The rest is earmarked to specific projects, including $4 million to build a new "gateway" to Roger Williams Park that would include a visitors' center, bathrooms, bike share, a recreational plaza and green space.

The newly built "modern, green and energy efficient" welcome center would be constructed on a blighted property that formerly housed the El Fogon restaurant, which closed after a fire in 2006.

The total project cost is $6.6 million, according to city spokesperson Ben Smith, including $4 million from the ARPA funds, $1.6 million from the Providence Redevelopment Agency and $1 million from the Acquisition and Revitalization Program at Rhode Island Housing.

Elorza had initially proposed spending $33 million of the federal stimulus funds when he submitted his budget proposal to the council in April. But an amended version of the ordinance introduced and passed Thursday by the Finance Committee increased the amount of ARPA funding — which is in a separate ordinance from the main budget bill — to $42 million.

A public hearing was not held to receive input on the proposal in committee before passage. (However, a public hearing is scheduled for next week to get input on Elorza's proposed city budget, as required by city charter.)

The Elorza administration argued some of the spending approved Thursday night involves a time constraint, since it will go towards programming for youth this summer including camps, summer jobs and a night basketball program.

Using $1 million in ARPA funds for summer jobs will allow the city to raise the minimum wage for teens to $15 an hour, Elorza policy chief Diana Perdomo told the councilors. (The mayor has separately proposed a $15 minimum wage for all city employees.)

Other investments for young people included in the bill are $1 million for youth and family broadband access, $1 million for early learning infrastructure, $1.1 million for a mentoring program, $500,000 for nonviolence training and $1 million for year-round youth jobs.

A breakdown of the proposal says mentoring can decrease chronic absenteeism in school and illegal drug use among young people.

In amending the plan on Thursday, councilors added a $7 million program for small business relief. Details on how that money will be allocated among businesses was not immediately released.

The ordinance also would provide $600,000 for public libraries, $500,000 for homelessness intervention, $187,339 for the Providence Center and $3 million for street sweeping and sewer repair.

"The American Rescue Plan grant budget, including the timely investments in youth, infrastructure, anti-violence initiatives and relief for small businesses in Providence reflect the priorities of the Administration, City Council and our community, and are critical to the ongoing recovery of our city," said Ben Smith, Elorza's press secretary.

"The city will also soon empanel a special commission on the stimulus relief funds in which community stakeholders can guide the allocation of ARPA funds to further invest in our community," he said.

Elorza has also proposed allocating $300,000 in ARPA funds to WaterFire Providence to get the downtown arts installation back up and running after a pandemic hiatus, though that funding wasn't included in the ordinance approved Thursday night.

WaterFire plans to return in September for a shortened season. State lawmakers have also allocated $375,000 to WaterFire in the state budget that passed the House Thursday night.

The organization plans to rehire furloughed staff this summer and reinstall infrastructure in the Providence River that was removed during a 2019 dredging project.

Peter Mello, managing director of WaterFire, said the organization has gone into debt during the pandemic due to losing many of its corporate sponsorship funds.

"Not only is this critical to putting on WaterFire this year, it's critical to our long term sustainability as an organization," Mello said of the ARPA money.

City Treasurer Jim Lombardi, who is also the council's chief of staff, said providing more funds to WaterFire from the city might be "overly generous," and suggested the state should step in to provide more funds if needed.

"This is the first of many ordinances that I believe the council is going to pass on this," Lombardi noted.

Councilwoman Helen Anthony moved to add the WaterFire funding into the ordinance, but no committee member seconded the motion.

The amended version of the ARPA ordinance now goes to the full City Council.

***Steph Machado** (smachado@wpri.com) is a Target 12 investigative reporter covering Providence, politics and more for 12 News. Connect with her on Twitter and on Facebook.*

Source: https://www.wpri.com/news/local-news/providence/heres-how-providence-plans-to-spend-42-million-of-biden-relief-money/

Palm Beach Gardens taps COVID-19 American Rescue Plan cash to help fund golf course | Frank Cerabino

The city of Palm Beach Gardens decides to use $2.1 million in COVID-19 federal rescue money to bring infrastructure to what will be a new golf course.

When you think of a government "rescue plan," you probably imagine a new outlay of federal dollars to help people overcome a cataclysmic event.

That help typically involves bolstering affordable housing, wage supports for those most affected and plugging the budget holes in local governments due to their excess spending on first responders during the disaster.

You don't think of spending the money to build another golf course – especially in South Florida, where there's a glut of golf courses, and pressures to build more housing has caused some existing courses to close.

But that's what is happening in Palm Beach Gardens.

While other local governments are using the federal dollars they are receiving to offset losses experienced by the COVID-19 pandemic, Palm Beach Gardens

is building a $16.8 million, par-3 golf course with a two-story clubhouse and driving range.

The course will be part of the existing Sandhill Crane Golf Club off Northlake Boulevard, west of Florida's Turnpike.

Golf course part of 'rescue plan'

I guess you could say that on the one hand, the COVID-19 pandemic has killed more than 50,000 Floridians and devastated a lot of lives and business. But on the other hand, it helped pay for a new golf course in Palm Beach Gardens.

Who knows? If this keeps up much longer, Palm Beach Gardens may get an equestrian center from it.

I'll bet that spending money on a new golf course wasn't what President Joe Biden had in mind when he signed the $1.9 trillion American Rescue Plan in March.

He seemed to be focused on how the federal relief program would be alleviating suffering – and not the kind that comes with shanking a drive or missing an easy putt.

"This law is not the end of our efforts. I view it as only the beginning," Biden said during the signing ceremony. "To every American watching: Help is here, and we will not stop working for you."

That doesn't sound like an announcement for new golfing opportunities. If that were the case, Biden might have said something like this:

"This law is not the end of our efforts to create new golfing experiences in your communities. I view it only as the beginning. Today, 18 holes. Tomorrow, 36.

"And not the short par-3 kind, by golly. I'm talking the full course with some challenging par 5s. Because this is America, for cryin' out loud, and we can have all the golf we want."

Help for Palm Beach Gardens golfers

The idea that "help is here" for Palm Beach Gardens to build a new golf course is a triumph of imagination.

It certainly redefines what it means to be needy. Maybe the Palm Beach Gardens residents who have seen their golf games suffering during the

pandemic will be able to get rescue-plan-funded golf lessons to fix their swings.

The COVID slice could be covered by federal rescue fix.

I know what you're thinking. So how can the city justify using $2.1 million in relief money to help pay for the new municipal golf course?

Well, the act spells out the varied ways that money can be used.

It says the money can be used by local governments to "help them cover the costs incurred due responding to the public-health emergency and provide support for a recovery – including through assistance to households, small businesses and nonprofits, aid to impacted industries, and support for essential workers."

OK, that's not helpful. But it goes on to say:

"It will also provide resources for state, local, and Tribal governments to invest in infrastructure, including water, sewer, and broadband services."

The city's golf infrastructure needs are met

Well, maybe golf is part of the "leisure infrastructure" of Palm Beach Gardens.

The city is considering the new golf course a "government service," making it eligible for support under the American Relief Act.

Publicly run golf courses are government services, and ones that have frequently been costly to run. Especially here in South Florida, where they were overbuilt.

The National Golf Foundation reported that in pre-pandemic 2019, about 67% of public golf courses made enough money to break even.

If it doesn't in this case, at least Palm Beach Gardens residents can take solace in knowing that more help is on the way.

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Source:
https://www.palmbeachpost.com/story/news/columns/2021/09/28/palm-beach-gardens-spends-covid-rescue-money-new-golf-course/5882182001/

Basketball Hall Of Fame Granted $3.74 Million From SBA

SPRINGFIELD — U.S. Rep. Richard Neal visited the Naismith Memorial Basketball Hall of Fame Monday to announce $3,740,728 in funding from the U.S. Small Business Administration's (SBA) Shuttered Venues Operation Grant (SVOG) program. Joining Neal for this announcement was Hall of Fame President and CEO John Doleva.
"These funds are incredibly instrumental to operations like the Basketball Hall of Fame who suffered greatly because of the pandemic," Neal said. "For the safety of the American people, the government forced these agencies to close their doors. And now, it is the government again stepping in to make sure that they are able to get back on their feet."

Doleva added that "the Shuttered Venue Operations Grant commitment means the Basketball Hall of Fame can stabilize its business operations that were so severely impacted over the last 15 months and allow us to better position ourselves for long-term survival and future growth. Without the SBA's SVOG, many venues, like ours, would have struggled to regain footing and suffered long-term consequences that for some may have been permanent."

SVOG was established by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, and amended by the American Rescue Plan Act. The program includes more than $16 billion in grants to shuttered venues, to be administered by SBA's Office of Disaster Assistance. Eligible entities include live venue operators or promoters, theatrical producers, live performing-arts organization operators, museum operators, motion-picture theater operators (including owners), and talent representatives.

Across Massachusetts, 244 grants have been awarded, totaling $194,408,323. Thirty-three of those are in the First Congressional District, totaling $20,010,864. In addition to the Basketball Hall of Fame, they include Agawam Cinemas; Jacobs Pillow Dance Festival in Becket; Chester Theatre Co.; Public Emily Inc. in Conway; Stationery Factory Events in Dalton; Luthier's Co-Op in Easthampton; Berkshire Choral International, Berkshire International Film Festival, Mahaiwe Performing Arts Center, and Shaw Entertainment Group in Great Barrington; Massachusetts International Festival of the Arts in Holyoke; Athlone Artists, Edith Wharton Restoration, and WAM Theatre in Lenox; Exit Seven Players in Ludlow; HiLo Holding Co. and Massachusetts Museum of Contemporary Art Foundation in North Adams; Barrington Stage Co. and Berkshire

Theatre Group in Pittsfield; Corcoran Productions in Richmond; PDP Productions in Shelburne; Egremont Village Inn and Triplex Management Corp. in South Egremont; Tower Theatres in South Hadley; Bold New Directors in Southampton; Cindy Pettibone in Southwick; Springfield Symphony Orchestra; Old Sturbridge Inc.; NV Concepts Unlimited and the Theatre Project in West Springfield; and Community Images Inc. and Williamstown Theatre Foundation in Williamstown.

Source: https://businesswest.com/blog/basketball-hall-of-fame-granted-3-74-million-from-sba/

Michigan.gov
Whitmer

Gov. Whitmer announces historic $150 million investment in local parks and trails

July 06, 2021

FOR IMMEDIATE RELEASE

July 6, 2021

Contact: Press@michigan.gov

Gov. Whitmer announces historic $150 million investment in local parks and trails

Together with proposed investment in state parks, the plan would provide $400 million to revitalize communities across Michigan

LANSING, Mich. - Gov. Gretchen Whitmer today announced an historic investment in community parks and recreation facilities, proposing $150 million in federal relief dollars from President Biden's American Rescue Plan be dedicated to addressing critical needs in local park systems. This investment will create good-paying, blue collar jobs across the state as we jumpstart our economy and get Michigan back to work.

Whitmer announced the proposal at the Idema Explorers Trail in Ottawa County, an example of a recreation property that could benefit from the new funding. The proposed investment would be administered as a grant program by the Michigan Department of Natural Resources and would support the economies, health and recovery of communities across the state.

Last month, Whitmer announced a similar proposal to invest $250 million of American Rescue Plan funding in parks and trails managed by the State of Michigan.

"These two new investment programs, totaling $400 million, mark a once-in-a-generation chance to improve quality of life for our residents, support local economies and bring people back to Michigan as the state continues its recovery from the effects of the pandemic," **Whitmer said**. "These investments will ensure our children and grandchildren continue to enjoy the rejuvenating benefits of natural beauty and outdoor spaces so prized by Michiganders. I look forward to working with the Legislature to secure this investment for our communities."

"Local parks are a critical part of the network of recreational opportunities throughout Michigan," said **DNR Director Dan Eichinger**. "People just want good parks, and they don't usually care who manages those parks provided the work is done well. Our local community partners do an outstanding job and we continue to support their work through a variety of means, including our Recreation Passport Grant program, which provides a portion of money generated by state parks to local communities for their park development. This new program would generally be modeled on our Recreation Passport grants to help local communities develop the recreational assets they need for the next generation."

"Infrastructure needs in the state's estimated 4,000 local parks are substantial," said **Emily Stevens**, **president of mParks Michigan Park and Recreation Association**. "Local parks saw an influx of visitors in the past year as people sought safe, socially distanced outlets for recreation during the pandemic."

"We have been singing about the benefits of our local parks, trails, and greenspaces for years, however the investments have not always matched those benefits," **said Stevens**. "This monumental funding will address the needs at our neighborhood parks and community gathering places to make them safer, more accessible and inclusive."

Tourism to Michigan parks generates value for surrounding communities, creates jobs

tourism to Michigan parks generates value for surrounding communities, creates jobs, and sustains small businesses. Michigan's outdoor recreation industry supports billions in state Gross Domestic Product and sustains 126,000 jobs and over $4.7 billion in wages and salaries in the state. On average, every $1 invested in land conservation leads to $4 in economic benefit.

"Vibrant public parks and trails are essential to healthy communities, and they allow local economies to thrive," said **Jill Martindale, advocacy director for Velocity USA, a bicycle rim manufacturer in Grand Rapids**. "This funding will support companies like ours that rely on these public spaces to help keep people employed. Besides, having access to beautiful parks and trails just makes our work more fun."

One measure of recreational needs in local communities is the number of grant requests received each year by the DNR that go unfunded. Over the last five years, the average of development grant applications to the DNR for three primary grant programs - the Michigan Natural Resources Trust Fund, Recreation Passport Grants and Land and Water Conservation Fund - has approached $40 million annually. Nearly $20 million of those annual requests could not be met because of lack of available funding.

"As residents recognized during the pandemic when they flocked to our parks, natural spaces should not be considered a luxury, but a necessity for our wellbeing," said **Jason Shamblin, director of Ottawa County Parks and Recreation**. "The cost of acquiring natural spaces; designing, permitting, and building park infrastructure; and maintaining these facilities is consistently increasing. To keep providing this critical access to the outdoors through parks and trails, additional funding is an urgent need."

Gov. Gretchen Whitmer also proclaimed?July?as Parks and Recreation Month to highlight Michigan's abundance of state, county and location community parks, as well as the many opportunities for outdoor recreation that residents can enjoy in every county across the state.

View full proclamation here.

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Pandemic relief money spent on hotel, ballpark, ski slopes

By BRIAN SLODYSKO March 23, 2022

WASHINGTON (AP) — Thanks to a sudden $140 million cash infusion, officials in Broward County, Florida, recently broke ground on a high-end hotel that will have views of the Atlantic Ocean and an 11,000-square-foot spa.

In New York, Dutchess County pledged $12 million for renovations of a minor league baseball stadium to meet requirements the New York Yankees set for their farm teams.

And in Massachusetts, lawmakers delivered $5 million to pay off debts of the Edward M. Kennedy Institute for the U.S. Senate in Boston, a nonprofit established to honor the late senator that has struggled financially.

The three distinctly different outlays have one thing in common: Each is among the scores of projects that state and local governments across the United States are funding with federal coronavirus relief money despite having little to do with combating the pandemic, a review by The Associated Press has found.

The expenditures amount to a fraction of the $350 billion made available through last year's American Rescue Plan to help state and local governments weather the crisis. But they are examples of uses of the aid that are inconsistent with the rationale that Democrats offered for the record $1.9 trillion bill: The cash was desperately needed to save jobs, help those in distress, open schools and increase vaccinations.

Republicans are already balking at additional money for pandemic relief that President Joe Biden has requested, and programs that seem far removed from ones that directly combat the virus will probably add to the resistance in the GOP.

"They need to give us an accounting," said Sen. Mitt Romney, R-Utah, who tried unsuccessfully to amend the Democrats' bill last year to add more limits on how the money could be spent. "Show us how you've already spent the money Congress gave you," he said, adding, "It's hard to imagine how a four-star hotel is helping to solve the pain of COVID."

Many of the projects identified by the AP echo pork-barrel spending disasters such as Alaska's $398 million "Bridge to Nowhere," which was canceled in 2007 after a public uproar.

But with permissive Treasury Department rules governing how the pandemic money can be spent, state and local governments face few limitations. New Jersey allocated $15 million for upgrades to sweeten the state's bid to host the 2026 World Cup. In Woonsocket, Rhode Island, officials allocated $53,000 for a remodeling of City Hall.

"Outrageous" and "just nuts" is how Rep. Abigail Spanberger, D-Va., described some of the expenditures, which she said were an affront to responsible local governments.

"Our hospitals were overwhelmed because of the pandemic and somebody now has a hotel somewhere?" she added.

Included among the projects and expenditures identified by the AP:

—$400 million to build new prisons in Alabama, accounting for nearly one-quarter of the total aid the state will receive through the program.

—tens of millions of dollars for tourism marketing campaigns in Puerto Rico ($70 million), Washington, D.C. ($8 million) and Tucson, Arizona ($2 million). The city of Alexandria, Virginia, also announced it would spend $120,000 to give its tourism website a makeover.

—$6.6 million to replace irrigation systems at two golf courses in Colorado Springs.

—$5 million approved by Birmingham, Alabama, to support the 2022 World Games. The event features niche sporting contests such as DanceSport, korfball and flying disc.

—$2.5 million to hire new parking enforcement officers in Washington, D.C.

—$2 million to help Pottawattamie County, Iowa, purchase a privately owned ski area.

—$1 million to pay off overdue child support in St. Louis. A city memo states that owing child support stops some people from looking for work because the overdue payments are garnished from paychecks; the program would "empower individuals" by paying down a portion.

—$300,000 to establish a museum in Worcester, Massachusetts, honoring Major Taylor, a famed Black bicycle rider from the turn of the 20th century known as the "Worcester Whirlwind" who died in 1932.

Liz Bourgeois, a spokeswoman for the Treasury Department, called the program a success that allowed state and local governments to "recover from financial distress" and "achieve their own strategies for restoring jobs and industries hit by the pandemic."

"Ultimately local governments are accountable to their communities on their decisions on how best to use their funds," Bourgeois said in a statement.

In Broward County, officials defended their planned 29-story, 800-room hotel, which will be owned by the county but operated by a private management group.

They also contest whether federal money is technically being used for the project. Broward County initially routed $140 million in federal coronavirus aid to the project,

which ran against Treasury Department rules that generally bar spending the money on large capital projects.

To get around the prohibition, the county adopted a common workaround.

The agenda from a Feb. 22 county board meeting details how: In a back-to-back series of unopposed votes, commissioners clawed back the federal money they had given to the hotel. They then transferred it to the county's general fund, describing it as a federal payment to cover lost tax revenue, which is an acceptable use. Then the cash was transferred from the general fund right back to the project.

County Administrator Monica Cepero insisted "no federal funds will be used to pay any of the cost of developing the Hotel Project."

"The County has reviewed the Treasury guidance and modified its use of (the) funds," she said in a statement.

Some lawmakers in Congress, however, are nonplussed.

"They are basically money laundering funding that is meant to help communities that are suffering," said Spanberger, who called for more oversight.

Local officials in New York's Dutchess County, home to the $12 million minor league stadium project, said in a statement that the expenditure was "completely and absolutely consistent" with Congress' intent for the money.

"It's ironic that this criticism emanates from the same congressional members who have brought back pork barrel earmarks," said Dutchess County Executive Marcus Molinaro.

The Edward Kennedy Institute did not respond to messages seeking comment on the $5 million in coronavirus aid received from Massachusetts. The institute operated at a $27 million loss between 2015 and 2019, according to tax filings from those years, the most recent that are publicly available.

Even in cases where local and state officials may have violated the spending rules, the sheer volume of money pumped out presents a challenge for government oversight offices that are often understaffed and poorly funded.

"The amount of money that went out was so massive and so far beyond anything that has ever been spent in our country before, that our capacity to audit every dollar spent is clearly stretched," Romney said.

But groups that lobby on behalf of local governments in Washington say the spending rules were written permissively in order to give as much flexibility as possible.

"Counties should be able to determine what's best for them," said Mark Ritacco, director of government affairs for the National Association of Counties. "Their residents will decide whether that was appropriate or not at the ballot box."

The new findings track closely with AP's previous reporting, which found in October that states and large cities had spent just a tiny fraction of their relief funding six months after it was approved. That was despite their pleas for the emergency cash when Congress was still debating it.

Some school districts also had so much extra federal pandemic cash that they spent it on new sports stadiums, arenas and football turf. In other instances, states used discretionary funding to further school choice initiatives that they had failed to get through their legislatures.

Rich Delmar, the deputy inspector general for the Treasury Department, declined to say whether the office had any active investigations into uses of the state and local pot of money.

"All projects are potentially subject to audit and investigation," Delmar said in an email, adding that "we are actively engaging in oversight."

Biden, meanwhile, has said his administration urgently needs more money to pay for things that are directly related to the pandemic.

Without it, the White House says, the administration won't be able to replenish depleted stockpiles of vaccines and therapeutics. Republican say winning their support will hinge on it being paid for with money that was already appropriated.

A deal that leaders struck this month would have been paid for by recouping some aid intended for states. But the agreement fell apart after several governors objected and rank-and-file House Democrats rebelled.

At least one Democrat sought to raise campaign cash off her opposition to clawing local money back.

"We had a bit of a fight when they tried to take money away from Michigan," reads a fundraising email from Michigan Rep. Debbie Dingell. "I was not going to let the Midwest get harmed. We won."

Source: https://apnews.com/article/covid-health-business-florida-new-york-1c54ec32b2e31ed10bb1628379763425

McAllen ISD approves agreement that would pave way for $4 million expansion of nature park

September 14, 2021 8:48 AM in News - Local
By: Trevier Gonzalez

The McAllen ISD Board of Trustees on Monday night unanimously voted to approve an agreement that would pave the way for a $4 million expansion of the Quinta Mazatlan, an urban sanctuary owned by the city of McAllen.

The funding is happening through the use of Elementary and Secondary School Emergency Relief, or ESSER funds, which are federal dollars meant to address students getting back to school safely amid the pandemic.

The district says the funds will be used only for new construction of the McAllen ISD Discovery Center, a project geared toward getting students here to learn more about ecology.

McAllen ISD spokesperson Mark May said this step is something important for the community.

"It's a big win for our kids because we're going to be afforded a rare opportunity to provide an authentic science lab right here in our own backyard," said McAllen ISD spokesperson Mark May.

But it wasn't without criticism.

One McAllen ISD parent at last month's school board meeting was concerned how money from this move would utilize federal funding meant to address the impact of the pandemic on students.

"I'm having difficulty understanding the partnership between the school, our kids, and the park," said Tory Guerra, a McAllen ISD parent.

The expansion would create 11 educational pods throughout the site, and will be open to all McAllen ISD students.

The district Monday night working to clarify that the use of those federal dollars is headed to the right place and a necessary investment for the future.

“We’re using this money to address achievement gaps, which do exist as a result of COVID, and this will not only address those achievement gaps, but it’s going to connect kids to higher education, and it’s going to bolster their education in the scientific realm for decades to come,” May said.

During a podcast with the superintendent back in June, the district said that ESSER funding could include new construction as an allowable use, if it can be justified and tied back to the pandemic.

When asked if the move was justified, May said the move is not only an investment to address achievement gaps that exist because of COVID, but "this is going to continue to pay dividends for years and years down the line."

According to the memorandum of understanding that was agreed on Monday evening, construction is expected to be completed by December 2024.

And while they are thankful for the partnership, the city of McAllen tells Channel 5 News they are continuing to seek outside funding for this project as a whole.

Source: https://www.krgv.com/news/mcallen-isd-approves-agreement-that-would-pave-way-for-4-million-expansion-of-nature-park/

Pottawattamie County buys Mt. Crescent Ski area for $3.5 million

County uses COVID-19 relief funds to help buy 100 acres in Loess Hills

COUNCIL BLUFFS, Iowa — The Pottawattamie County Board of Supervisors announced Tuesday it has acquired the Mt. Crescent Ski area, previously privately owned by Korby and Samantha Fleischer.

The Fleischers will continue to manage the facility as a ski resort through the 2022 ski season. Pottawattamie County will take full control in the summer of 2022.

Skiing will continue to be offered after this season and beyond.

"We're not really in the business of running a ski resort, so I think finding a different avenue, whether it's a local interest that might want to run it or a 501c3," said Mark Shoemaker, president of Pottawattamie County Conservation Board.

"We could have sold it to anybody and one phone call, it would have been gone but we really wanted to keep it in the Loess Hill family," said Korby Fleischer, who's owned the property for the past 13 years. "We are confident and excited that Pottawattamie County will protect and expand upon what our family has worked so hard to create."

The county approached the Fleischers several times the past decade about taking control of the property outside Crescent, Iowa, and the deal was completed on Dec. 30.

Shoemaker said they wanted the property due to its location and to keep it out of the hands of developers.

"Hitchcock Nature Center is adjacent to Mt Crescent ski area and it is in the Loess Hills. It's one of our goals to protect that resource and by acquiring this and getting this property, we are going to be able to do that for future generations and hopefully forever," Shoemaker said.

"When you get up to the top of the ski hill and you look down and look at the valley, it's a million-dollar view," said County Board of Supervisors member Justin Schultz.

Schultz said this opportunity comes at the right time and right price for $3.5 million.

"It's kind of a unique thing for us to spend $3.5 million and not really increase any taxes at all and really have for the public to use," Schultz said.

The Iowa West Foundation helped make the transfer possible with $1.5 million and the other $2 million is coming from the American Rescue Plan Action, COVID-19 federal relief funds.

Schultz said purchasing a ski area does meet the federal requirements for using the funds.

"We look at this as a tourist attraction. We lost a lot of tourism when COVID hit. We lost a lot of people who would normally be coming to our county and experiencing small towns," he said.

Schultz also said with the $18 million they received from the government, they are using funds to help with health care.

"The cool thing about the way we've been doing our budgeting is we leveraged dollars to make sure we can cover those things as well," he said.

In a statement attributed to members of the Pottawattamie County Board, members said owning Mt. Crescent was an incredible opportunity and responsibility.

“We are beyond pleased to partner with the County and the Fleischers to support the transition of this regional destination,” said Brenda Mainwaring, President and CEO of the Iowa West Foundation in a news release.

The Pottawattamie County Conservation Board hopes to develop four-season recreational opportunities and use the acquisition to expand the preservation efforts of the Loess Hills.

Source: ketv.com/article/pottawattamie-county-acquires-mt-crescent-ski-resort/38666673#

Confused Japanese Citizens Receive Stimulus Checks From Biden's COVID-19 Relief Package

RYAN GENERAL
May 20, 2021, 12:41 PM

Some Japanese citizens are reportedly receiving stimulus checks of up to $1,400 each from President Joe Biden's COVID-19 relief package approved in March.

Surprise in the mail: The recipients, noncitizens who once lived in America but left a long time ago, posted online that they were surprised to receive stimulus checks from the U.S. Treasury, reported Asahi Shimbun.

- A 79-year-old man and his wife in Kanagawa Prefecture received the checks from the U.S. Department of the Treasury back in April, each containing $1,400 (152,000 yen).
- The man first thought the checks were from his U.S. Social Security benefits. He had paid Social Security taxes while he was stationed in the U.S. from 1978 to 1983.
- The Japan-U.S. bilateral agreement guarantees that he and his wife receive a monthly Social Security payment of $500 from the U.S. government.
- However, a friend told him that the check is part of Biden's stimulus package and suggested that he might be able to cash it.
- "The United States has so much money to spare that it gives out (the checks) to foreigners like me who lived there about 40 years ago," the man said, entertaining the idea of cashing the two checks.

Unqualified recipients: According to the U.S. IRS, those who are living outside the U.S. in 2021 no longer qualify to get the checks, which are sent out based on incomes claimed on tax returns to U.S. citizens and residents, Nikkei Asia reported.

- The Kanagawa man reached out to a bank staff but was told the checks were likely intended for U.S. citizens.
- He also asked the U.S. Embassy in Japan if Japanese citizens could cash the checks, but the agency pointed him to the IRS as the money is under its jurisdiction.
- The man ended up doing nothing because he did not "want to go through all the trouble to make an international phone call."
- According to the IRS, foreign nationals overseas who received the checks should void them and send them back. It did not provide details on whether there is punishment for those who have already cashed them. Those who do not return the checks could receive a warning letter in 2022.

Flush with COVID-19 aid, schools steer funding to sports

By COLLIN BINKLEY and RYAN J. FOLEY October 6, 2021

IOWA CITY, Iowa (AP) — One Wisconsin school district built a new football field. In Iowa, a high school weight room is getting a renovation. Another in Kentucky is replacing two outdoor tracks — all of this funded by the billions of dollars in federal pandemic relief Congress sent to schools this year.

The money is part of a $123 billion infusion intended to help schools reopen and recover from the pandemic. But with few limits on how the funding can be spent, The Associated Press found that some districts have used large portions to cover athletics projects they couldn't previously afford.

Critics say it violates the intent of the legislation, which was meant to help students catch up on learning after months of remote schooling. But many schools argue the projects support students' physical and mental health, one of the objectives allowed by the federal government.

Rep. Bobby Scott, the top Democrat on the U.S. House education committee, said the money shouldn't be used to fund athletics at the expense of academics. It was meant to help students, he said, not sports programs.

"I suspect you can make a case for anything, but the purpose is clear: It's to open safely, stay open safely and deal with learning loss," Scott said. "These are targeted resources needed to address the fact that a lot of children just didn't achieve much for about a year."

Robin Lake, director of the Center on Reinventing Public Education, said every dollar of pandemic relief spent on sports could be used to expand tutoring, reduce class sizes and take other steps to help students who are struggling academically.

"Can these districts show that all their kids are ready to graduate at the end of this year — college- and career-ready?" she said. "If not, then stop the construction. Stop it right now."

In some parts of the country, exercise equipment companies have tried to capitalize, contacting school coaches and superintendents to suggest upgrades.

It's impossible to know exactly how many schools are using pandemic relief on athletics. Districts are required to tell states how they're spending the money, but some schools are using local funding for sports projects and then replacing it with the federal relief — a maneuver that skirts reporting requirements.

The funding is part of the American Rescue Plan signed in March by President Joe Biden that sent money to schools, giving larger shares to those with higher poverty. It's the latest of several rounds of funding Congress funneled to the states to address education needs. The AP has tracked more than $157 billion distributed so far to school districts nationwide.

Schools have wide flexibility in how they use the money but only three years to spend it, a deadline that has led some to look for quick purchases that won't need ongoing funding after the federal money is gone.

When school officials in Whitewater, Wisconsin, learned they would be getting $2 million in pandemic relief this year, they decided to use most of it to cover their current budget, freeing up $1.6 million in local funding to build new synthetic turf fields for football, baseball and softball.

Athletics officials in the district of 1,800 students said the project was sorely needed to replace fields prone to heavy flooding. They touted the federal money as a chance to solve the problem without asking local taxpayers for funding.

"If we don't do it now with this money, I'm not sure when we would ever do something like this," athletic director Justin Crandall told the school board in May. "I don't see us being a district that would go to a referendum for turf fields."

Two school board members objected, with one raising concerns that just $400,000 was being used to address student learning loss — the minimum to meet a requirement that at least 20% goes toward that purpose.

The board approved the plan over those objections, and the new football field had its grand opening in September. District Superintendent Caroline Pate-Hefty declined to answer questions about the project.

In the Roland-Story Community School District in Iowa, there were no objections when the school board voted in May to use $100,000 in pandemic relief on a high school weight room renovation. That allowed the district to double its weightlifting platforms to 12 and add new flooring with customized school branding.

Superintendent Matt Patton called it a "major health and safety improvement," saying the new floors can be disinfected more easily. He said most of the district's federal aid went to other costs, including a full-time mental health therapist, special education teachers and expanded summer learning options.

Like many others in rural Iowa, the district of about 1,000 students has tried to return to normal operation: It's back to full in-person learning and, just weeks before approving the weight room overhaul, dropped a mask mandate.

The project is seen as a boon for wrestlers and the football team, which recently boasted that 39 players put in more than 3,300 workouts in the off-season. The old equipment will be used at the middle school.

"More kids will be able to lift at the same time with better equipment," said high school wrestling coach Leland Schwartz. "Anytime we can offer more opportunities for our athletes, those athletes will get better, which makes all of our programs better."

The school board in East Lyme, Connecticut, recently approved a plan to put some of its federal relief toward annual operating costs, freeing $175,000 to renovate a baseball field with poor drainage. Some board members called for quick action to get the work finished in time for games in the spring.

In September, the Pulaski County school board in Kentucky allocated $1 million in pandemic aid to resurface two outdoor tracks. Superintendent Patrick Richardson called it a health-and-wellness project that falls within the scope of the federal funding, saying it will "allow our students to be taken out for mask breaks, by class, in a safe environment."

Among education advocates, the athletics spending is seen as a breakdown at all levels of government.

Federal officials failed to provide clear funding guidelines, while state education departments didn't police their schools' spending, said Terra Wallin, an associate director of the Education Trust. She also questioned whether districts spending on athletics have considered what's best for students.

Wallin said the U.S. Education Department should issue new guidance and intervene before more districts make similar decisions.

"There are going to be districts next spring that are going to be considering things like this," she said. "There's still time to influence them and make sure districts are doing the right thing."

In a statement, the Education Department said it has made clear the funding must be used on "reasonable and necessary" expenses responding to the pandemic. It said there's "ample evidence" of districts using the relief to keep schools safe, including by increasing access to vaccines, implementing virus testing and improving ventilation systems.

"We continue to strongly encourage every district to use these funds to help address these issues, including by using our Return to School Roadmap and by providing guidance on how to use these funds," the department said.

So far, athletic spending has generated little pushback from states, which are responsible for making sure districts spend the money appropriately. In August,

education officials in Illinois rejected a school's plan to use the funds on a football field. But other states say it isn't their place to challenge school spending decisions.

Iowa's education department approved the weight room project in Roland-Story, saying the federal guidelines allow "capital expenditures for special purpose equipment."

Heather Doe, a spokesperson for the agency, said funding priorities are local decisions. The department doesn't have authority to reject a district's spending, she said, unless it's "definitely unallowable."

In Congress, lawmakers from both parties say it's wrong to use the money on sports. Democrats say it's not what it was meant for, while Republicans say it's a sign it wasn't needed.

"Congress allocated billions more than the CDC estimated was necessary to safely reopen schools, paving the way for rampant waste and abuse," said Rep. Virginia Foxx of North Carolina, the top Republican on the House Committee on Education and Labor.

Meanwhile, fitness companies are ramping up sales pitches.

Chad May, CEO of Commercial Fitness Equipment in Eugene, Oregon, said he's averaging five new school projects every week. So far, his company has taken on $25 million in weight room updates funded with pandemic aid, he said.

Often, the calls are from underfunded districts that want the kind of facilities their wealthier peers have, May said. But some are just looking for ways to spend their federal relief within the three-year deadline.

The high school weight room overhaul in Story City, Iowa, is being done by Push Pedal Pull, a South Dakota company that's taking on similar projects elsewhere in Iowa and Nebraska.

Luke Reiland, a company representative in Ames, Iowa, said he's been calling schools to let them know the funding can be used for those kinds of costs. He sees weight rooms and fitness centers as increasingly important for schools in smaller towns as they look to keep students from leaving for larger districts.

"I'm right in the battle ... to get this money allocated," Reiland said. "I think a lot of these small schools are trying to use this money to really upgrade a bunch of stuff, and I am just trying to get my piece of the pie."

AP Education Writer Binkley reported from Boston.

Source: https://apnews.com/article/coronavirus-pandemic-school-funding-sports-5b468b260ebd2593e53f03f9104d9bca

The Washington Post
Democracy Dies in Darkness

Chicago poised to create one of the nation's largest 'guaranteed basic income' programs

Basic income programs are spreading across the country as critics raise concerns about job openings

By Mark Guarino
October 25, 2021 at 6:00 p.m. EDT

The Chicago City Council is poised to vote this week on what would be one of the nation's largest basic income programs, giving 5,000 low-income households $500 per month each using federal funding from the pandemic stimulus package enacted this year.

Mayor Lori Lightfoot (D) has proposed the more than $31 million program as part of her 2022 budget, which the city council is scheduled to consider on Wednesday. The one-year pilot program, funded by the nearly $2 billion Chicago received from the Biden administration's American Rescue Plan, is supported by most of city's 50 aldermen. But it has received pushback from the 20-member Black Caucus, which has urged Lightfoot to redirect the money to violence prevention programs.

Lightfoot has said the pilot program is motivated by her own childhood memories of hardship while growing up in Ohio. "I knew what it felt like to live check to check. When you're in need, every bit of income helps," she wrote in a tweet unveiling the plan this month.

Basic income programs have been spreading across the country ever since Stockton, Calif., had started providing monthly stipends with no strings attached to 125 of its residents in 2019. Those stipends resulted in more full-time employment and improved mental and emotional well-being among recipients, according to preliminary findings reported earlier this year by researchers who helped design the program.

Michael Tubbs, who implemented the program as then-mayor of Stockton, noted that recipients' largest expenditure was food, making up at least a third of spending each month, according to the report. "I had no idea so many people in my area were hungry," Tubbs said.

Since Stockton's program launched, about 40 other cities have considered or embarked on similar efforts to target economic insecurity within their boundaries, according to Mayors for a Guaranteed Income. These include Denver, Newark, Pittsburgh, San Francisco, New Orleans and Compton, Calif. One program in Los Angeles will provide 2,000 residents with a guaranteed income of $1,000 a month for a year.

The surge of interest in basic income has been fueled in part by the influx of money that cities have received from the coronavirus stimulus package along with the formation of Mayors for a Guaranteed Income, which is an advocacy coalition that Tubbs founded last year.

Critics worry that guaranteed income programs will discourage people from finding jobs and drain the labor force, a particular concern amid the record job openings in the country this year, said Michael Faulkender, who served as an assistant treasury secretary for economic policy during the Trump administration. Last week, the National Federation of Independent Business reported that 51 percent of small business owners have jobs they cannot fill, over double the average of 22 percent.

"There are still millions of low-skilled jobs out there, and you have small business owners who can't find workers to join their companies," said Faulkender, who teaches finance at the University of Maryland. Proposals like the one in Chicago feed the "process of reducing the willingness of people to participate in the workforce," he said.

Opposition to federal entitlement programs, such as rent vouchers and food stamps, has been waged for decades, but advocates like Tubbs say that today, "the climate has changed." Economic blows struck by recent natural disasters and the pandemic have proven that "the economy doesn't work for a vast number of Americans," Tubbs said.

The inequalities in Chicago are particularly stark. A 2019 report by an economic inequality task force created by the mayor's office found that 500,000 Chicagoans — about 18 percent of the population — are living below or at the poverty level. Nearly half the city's households do not have a basic safety net to help in emergencies or to prepare for future needs. A quarter of households have more debt than income.

Lightfoot says the effects of the despair can be seen in recent drops in life expectancy among the poorest and the current spikes in street violence throughout the city. Harish Patel, executive director of Economic Security For Illinois, an advocacy group that helped coordinate the report, says the coronavirus pandemic has made the disparities worse.

The 5,000 recipients, who must be adults and make less than $35,000 a year, will be chosen randomly for the program. Chicago Alderman Gilbert Villegas said the city plans to track the recipients' expenditures during the first six months and then provide more targeted assistance, such as help with paying heating bills or for food. The costs of supporting the program, he said, "is well worth the investment" when weighed against daily costs of poverty in Chicago, such as gun violence and incarceration.

The Chicago basic income proposal dates back two years when a small group of aldermen led by Villegas proposed a resolution that would have established a $50 million basic income program. The subject is particularly important to Villegas, who considers himself "a product" of similar fiscal assistance. Following the death of his father when Villegas was 8 years old, his mother received $800 in monthly survivor benefits from Social Security until he and his younger brother turned 18. The federal funds supported child-care costs and gave her the freedom to work just one job, rather than two, so she could be at home with her sons more often.

"It allowed my mom to work with dignity and gave her the flexibility to work to better the neighborhood," he said. The siblings later served in the Marines, which Villegas says they considered as payback for the assistance from the federal government. "These are the types of human infrastructure investments that we need to take a look at when we talk about investing in infrastructure," he said of basic income programs.

Polling over many years has largely showed the American public does not support universal basic income. In April, the Pew Research Center survey found a third of Americans say it is "very important" for the United States to provide universal basic income while a fifth believe it is "somewhat important." Forty-five percent said they are against.

But supporters say it is a matter of exposure. Brett Watson, an economics professor with the University of Alaska Institute for Social and Economic Research in Anchorage, noted that in his state, receiving a regular income from the government is already seen as "a birthright."

Alaska has a nearly 40-year-old Permanent Fund Dividend that guarantees its residents an average of $1,600 in an annual lump payment. The fund consists of offshore oil lease royalties paid to the state.

Unlike many of the new basic income programs, it doesn't target specific households and requires fewer conditions. The money, Watson said, is not seen as paternalistic or demeaning, unlike how social service benefits like food stamps or rent vouchers are traditionally perceived.

"There's something appealing to people about the idea that it's the people, more than the government, who should decide on how best to spend the money they are given," he said of the Alaska basic income model. "For that reason alone, it is attractive on the national scale."

A previous version of this story incorrectly named the group started by Michael Tubbs last year. It is called Mayors for a Guaranteed Income.

The Bulletin

LOCAL

Norwich aldermen revive American Rescue Plan funding for luxury apartments

Trevor Ballantyne
The Bulletin

Published 3:53 p.m. ET Sept. 21, 2021

The future of a proposed $8.8 million luxury apartment complex in downtown Norwich is moving forward again after city council members unanimously voted to direct $800,000 in American Rescue Plan funding to the developer of the project.

Norwich Luxury Apartments LLC, owned by Yacov Adler of Spring Valley, New York, purchased the buildings at 77-91 Main St. for $1.8 million in early August from New England Rose LLC, which acquired it for $675,000 in June 2018.

If completed, the plans will see more than 40 high-end apartments built in the now vacant block of buildings, along with some commercial space on the ground floor.

The property currently holds an assessed value of $749,400 as of 2020, according to deed filings.

Two weeks ago, the city council voted 4-3 to allocate $2 million to the Norwich Community Development Corporation with the stipulation that any loans issued be capped at $300,000. The money headed to Norwich Luxury Apartments LLC, a $400,000 grant and an accompanying $400,000 loan, will not come out of the $2 million because officials wanted that money to be dedicated to small business with less than 10 employees.

More: First Toni Morrison bench in state honors Prudence Crandall and Black students

The funding announced Monday will instead be drawn from the roughly $4 million remaining out of the $14.4 million in American Rescue Plan funding directed to Norwich for 2021. Next year, the city is scheduled to receive an additional $14.4 million.

Among the preliminary U.S. Treasury guidelines directing municipalities on how to spend the funding, the federal money must be designated "to meet pandemic response needs and rebuild a stronger, more equitable economy as the country recovers" from the COVID-19 pandemic. The guidelines also direct municipalities to make allocations by the end of the calendar year in which they are given.

"We believe this project will go forward and will be completed," the attorney representing NCDC, Mark Block, told the council Monday evening. "We spent a long time developing this program with the developer to assure that not one penny of city money, the money from this plan, goes out to the developer absent of the developer meeting all of the conditions..."

In addition to the financial aid and loan granted by the city, the developer is also receiving tax abatements from the city, according to NCDC President Kevin Brown.

"The net effect over five years is this city will have reaped the same number of dollars it would put into it, from a public standpoint," he said.

Under the resolution passed by the city council this week, the approved grant and loan amounts will only be issued to Norwich Luxury Apartments LLC following the city's certification of compliance with its building code.

An amendment added Monday by City Council President Pro-Tempore Mark Bettencourt requires NCDC to provide quarterly updates on the progress of the project and certifies the city manager to recoup the funding if it is not completed by September 2024.

"I am hoping that this is a successful project, but again we have to make sure that things are in place," he added.

Republican City Council member Stacy Gould spoke in support of the allocation Monday night.

More: Norwich residents search for accountability as city seeks FEMA funds for Ida flooding

"This is a perfect example of how we put feet on the street in downtown Norwich," she said. "...And hopefully, as a result of it, there will be more storefronts, more retail opening up to help support the people who are living in these apartments."

Gould noted the challenges facing anyone seeking to develop the city's downtown area, including the buildings at 77-91 Main Street which were originally constructed in the late 1800s.

"If we are not going to help these developers then we should take this ARP and other money and put it in the demo account because that is what we will have to do," she added.

Gould said Tuesday she knows ARP funds are not permitted to be used for demolitions under U.S. Treasury guidelines, calling her comment "tongue-in-cheek."

"It's very expensive to try to rehab a building in downtown Norwich – we have to have a mechanism in place [to support the development of the buildings]," Gould said in a phone interview.

"People are moving to Norwich, so we have to give those options," she added. "Not everyone wants a single-family home."

Gould's statement contradicted one made by her colleague Derell Wilson two weeks prior, when he said families are not moving into market-rate apartments, as an argument against the project.

Reached for comment this week, he noted a productive meeting with NCDC leadership and highlighted the importance of the strings attached to the resolution approved Monday.

"The bigger picture for me, after sitting down and understanding the project, the biggest condition is that if the project does not work it does not give the NCDC an additional 800,000 to then add to the $2 million, that money can come back to the city to be reallocated to a different project or a different program," Wilson said.

More: PHOTO GALLERY Roundabout nears completion in downtown Norwich

"My hope is this project, if it can be successful, can be a springboard to bringing nightlife and different opportunities to downtown that are tangible for individuals that will not only move there but making the downtown its own, individual neighborhood as well."

Following the meeting, Brown told The Bulletin the project has been in the works for at least a year but Block attested the building's previous owner, New England Rose LLC, has no connection to the current developer.

While agendas are available, meeting minutes for NCDC have not been posted since Sept. 24, 2020, and Bettencourt said he hoped going forward that NCDC would "be more responsive in terms of presenting to the public."

Syracuse's $123 million stimulus spending plan includes $2 million for trees

by Amanda Hull
Thursday, July 29th 2021

SYRACUSE, N.Y. — After Mayor Ben Walsh announced a proposed $2 million dollars of the $123 million dollars American Rescue Plan money be spent on 3,600 trees over the next three years in the City of Syracuse, CNYCentral heard from some concerned viewers.

"Children should have trees, children should be climbing trees, but let's be realistic, children need food and safety and there are 19 neighborhoods in this city that are failing these children miserably I can not justify trees," said Linda Grimaldi.

According to the city, the plan was developed after a five-month public input period.

"We want to invest, number one, where we may not have resources to typically invest or where we can move the needle on some more of our significant challenges, like gun crime or climate change, but also want to make sure we're not investing in areas that will require ongoing investment," Mayor Walsh said.

But is there a way to justify $2 million for trees, Grimaldi says no.

"Why are we not finding out how we can fix this? We are only as strong as our weakest link, so why are we not lifting them up? African Americans, minorities, we preach that we are going to help them and we spend $2 million on trees," she said.

The city cited the Southside neighborhood and Lakefront District as two of the city's lowest canopy cover locations at 22% and 11% respectively, which both fall below the city's goal of 27%.

"All of these things go hand in hand, you can't just do one thing at the expense of another," said city arborist Steven Harris. "A map of canopy cover in the city is like a map of income, which means poorer air quality, poorer environment, and poorer public health."

There are also several investments in public safety, children, and families to provide more opportunities for youth and residents to serve as deterrents for non-productive activities that could lead to crime-related interactions with the police.

To see the full breakdown of the Syracuse American Rescue Plan Strategy click HERE.

Source: https://cnycentral.com/news/local/syracuses-123-million-stimulus-spending-plan-includes-2-million-for-trees

Governor Carney Announces $40 Million of American Rescue Plan (ARPA) Funding for Delaware Libraries

February 17, 2022

WILMINGTON, Del. – Governor John Carney announced Thursday $40 million in American Rescue Plan Act (ARPA) funding to be distributed to libraries throughout all three counties.

The investments are funded by the American Rescue Plan Act Capital Relief Fund, which was championed by Delaware's Congressional Delegation – U.S. Senators Tom Carper and Chris Coons, along with Congresswoman Lisa Blunt Rochester. ARPA was passed by Congress and then signed into law by President Joe Biden on March 11.

Capital Relief projects under ARPA must meet strict criteria to be eligible for funding. That includes funding projects that specifically enable work, education, and health monitoring – and respond to issues created or exacerbated by the COVID-19 pandemic. The U.S. Department of the Treasury has approved Delaware's plans to invest in libraries statewide. Additional capital awards funded by ARPA will be announced soon.

"Children and families will benefit from these investments for generations to come," said **Governor Carney**. "Delaware's libraries serve our communities with resources, collaboration, and creativity. Many of these investments are in our communities hit hardest by the COVID-19 pandemic. The COVID-19 pandemic has reinforced the central role libraries serve in our communities as hubs for job training, employment searches, education, COVID-19 test kit distributions, and vaccination sites. I want to thank the Congressional delegation for their advocacy and look forward to seeing significant results from these investments."

"When we were crafting the American Rescue Plan, we were looking at ways to make investments that will have a lasting impact for generations to come," said **Senator Tom Carper**. "When we invest in our libraries, we are really helping someone find a job, providing a safe place for the community to gather and learn, and giving people access to resources that they wouldn't normally have. I am proud of Governor Carney's commitment to strengthening communities through investing in our much-needed libraries."

"Libraries house centuries of learning, information sharing, and free access to educational resources," said **Senator Chris Coons**. "Investing in our libraries begins the next chapter for greater public education, social uplift, and a principled commitment to helping Delawareans fight the COVID-19 pandemic. I'm proud to support Governor Carney and my congressional delegation in recognizing the value of our libraries and their role in our social infrastructure and community health."

"Libraries across our state and country play such a vital role in the communities they serve. Whether it's giving Delawareans access to countless literary titles, serving as a meeting place for local organizations, to serving as an area of inspiration for the arts and the humanities – libraries are vital to the well-being of our communities," said **Representative Lisa Blunt Rochester**. "That's why I'm so thrilled to join Governor Carney and my congressional colleagues in announcing this much-needed investment in Delaware libraries – so that these pillars of our communities can be enjoyed for generations to come."

"Our libraries are so much more than a place to check out books. They really are gateways for learning and discovery and allow our communities to come together and access so many vital services," said **Lt. Governor Bethany Hall-Long**. "I am so proud of the incredible contributions our libraries continue to make to our communities. Delaware libraries are setting the example for others to follow in the fight against COVID-19 and serving to make our state stronger and healthier. Thanks to Governor Carney and the congressional

delegation, the impact from these investments, made possible through the American Rescue Plan Act, will be felt for generations to come."

The $40 million of investments announced will improve nine libraries across the state. This funding will be used for new construction and improvements to existing structures, including:

- **$7 million** to the Selbyville Library for a new building
- **$5.6 million** to the Harrington Library for a new building
- **$750,000** to the Lewes Public Library for a new outdoor pavilion
- **$900,000** to the Milford Public Library for updates to HVAC, filtration, and ventilation
- **$250,000** to the Georgetown Public Library for updates to HVAC, filtration, and ventilation
- **$7.8 million** to the Friends of Duck Creek Regional Library to build an expanded library
- **$11 million** to the North Wilmington Library for a new building
- **$4 million** to the Newark Public Library for a new building
- **$3 million** to the Rehoboth Beach Public Library for upgrades

"Governor Carney's strategic investment in libraries supports equity for communities throughout the state," said **Dr. Annie Norman, State Librarian**. "Delaware Libraries are shovel-ready to strengthen the social services infrastructure for digital equity, workforce development, and more statewide."

The Governor's Recommended Bond Bill for FY 2023 announced in late January includes an additional $26.8 million in state funding to match the federal funding for the five new libraries.

Source: https://www.witn22.org/2022/02/17/governor-carney-announces-40-million-of-american-rescue-plan-arpa-funding-for-delaware-libraries/

Federal government doled out $783.5M in stimulus checks for prisoners

Senate previously rejected measure to block payments from flowing to prisoners.

The federal government doled out $783.5 million for incarcerated individuals as part of the American Rescue Plan, Fox News has learned.

In response to a public records request from conservative group American Crossroads, the Internal Revenue Service (IRS) revealed that the money flowed to 560,000 individuals who were incarcerated for the full tax year 2020.

Passed in March, the American Rescue Plan granted $1,400 in stimulus money to people making less than $75,000 per year.

"Earlier this year, every single Senate Democrat voted to give stimulus checks to violent criminals in prison," Sen. Tom Cotton, R-Ark., said in a statement to Fox News.

"Sending cash to murderers and rapists in prison has nothing to do with solving the pandemic or improving the economy. Now, the same people who sent hundreds of millions of dollars as gifts to these inmates want to spend trillions more in an even bigger and more partisan bill."

Sens. Cotton and Bill Cassidy, R-La., attempted to exclude prisoners in March but that amendment failed on a party-line vote.

The $1,400 payout was in addition to $1,200 and $600 checks offered as part of the previous coronavirus relief legislation. Sen. Dick Durbin, D-Ill., criticized the measure, saying it would harm Black and Brown families.

"Given the stark racial disparities in our criminal justice system, this would cause the most harm to Black and brown families and communities already harmed by mass incarceration," he said from the Senate floor. "Children should not be forced to go hungry because a parent is incarcerated."

Although the Trump administration attempted to block the initial payments from flowing to prisoners, those efforts were eventually halted by a federal judge who noted that the legislation itself didn't exclude prisoners.

The revelation comes amid news that convicted gymnastics doctor Larry Nassar, who abused Olympic athletes, received $2,000 from two federal stimulus checks.

Cotton previously warned that the checks would flow to murderers like Dylan Roof and Dzhokhar Tsarnaev.

Source: https://www.foxnews.com/politics/coronavirus-stimulus-prisoners

POLITICS · Published March 8, 2021

Cotton slams Senate Dems for blocking amendment barring stimulus checks for prisoners

'Every Democrat voted to send checks to prisoners, and every Republican voted to stop prisoners from getting checks'

By Thomas Barrabi | FOXBusiness

Sen. Tom Cotton, R-Ark., slammed Senate Democrats on Monday for voting against an amendment to President Biden's $1.9 trillion coronavirus relief package that would have blocked prisoners from receiving stimulus checks.

The amendment, introduced by Sen. Bill Cassidy, R-La., was rejected in a 49-50 vote along party lines. In a series of tweets, Cotton, who voted in favor of past relief packages that did not include language barring prisoners from receiving checks, accused Democrats of "trying to spin" their vote against the amendment for "damage control."

COVID RELIEF BILL OFFERS CONVICTED MURDERERS STIMULUS CHECKS

"On March 6 at 10:12am, the Senate voted on an amendment to exclude prisoners – like the Boston Bomber – from getting stimulus checks. Every Democrat voted to send checks to prisoners, and every Republican voted to stop prisoners from getting checks," Cotton said.

Prisoners were allowed to receive stimulus checks under the CARES Act, which was passed by a GOP-controlled Senate and signed into law by Donald Trump. The IRS initially sought to block payments to prisoners. However, payments resumed after a federal judge determined the decision was "arbitrary and capricious" because the law did not dictate a ban on prisoners receiving stimulus payments.

As in previous relief packages passed by Congress, the Biden-backed "American Rescue Plan" includes inmates among Americans eligible to receive direct relief payments. The package will send $1,400 checks to Americans earning less than $75,000.

Cotton voted in favor of the CARES Act, as well as the relief package that sent an additional $600 direct payment to Americans last December. In his tweets, the Arkansas senator noted "Congress (or at least Republicans) did not intend" to send checks to prisoners, but had to rely on "litigation" to reverse them.

"Finally, we had a chance to fix this on March 6 with @BillCassidy's amendment," Cotton said. "If this amendment passed, the Boston Bomber and countless other murderers would have been excluded from getting a check. But it failed because Democrats voted against it."

"If Democrats want to avoid the political consequences of sending stimulus checks to murderers in prison, they should have voted the other way," he added.

In remarks on the Senate floor prior to the vote on Cassidy's amendment, Sen. Dick Durbin, D-Ill., argued the clause was too broad and would "cause harm to the families of incarcerated individuals. All 50 Senate Democrats voted against the amendment.

"The Cassidy amendment sweeps broadly, denying recovery rebates not only to incarcerated individuals but also to anyone violating the condition of probation or parole," Durbin said. "But the Social Security statute that Sen. Cassidy's amendment copies from has a safety valve giving discretion to allow payments to persons because of mitigating circumstances. His amendment does not."

Cassidy, in turn, argued that the lack of a clause barring checks for prisoners was another indication that the $1.9 trillion package was too bloated.

"Prisoners do not pay taxes. Taxpayers pay for their every need," Cassidy said. "Inmates cannot stimulate the economy. But, under this bill they receive stimulus checks. This is a perfect example of nontargeted, inappropriate, and total waste of spending. It's ridiculous that this is in the bill."

The Washington Post
Democracy Dies in Darkness

Murderers, undocumented immigrants: Hyped-up claims about who's getting stimulus checks

By Glenn Kessler
Staff writer

March 9, 2021

"Dylann Roof murdered nine people. He's on federal death row. He'll be getting a $1,400 stimulus check as part of the Democrats' 'COVID relief' bill."

— Sen. Tom Cotton (R-Ark.), in a tweet, March 6

"With this bill, they're going to people in prison, they're going to people who are illegal immigrants."

— Sen. John Barrasso (R-Wyo.), in an interview on NBC's "Meet the Press," March 7

This 2021 fact check has been updated with a new Pinocchio rating

Every Senate bill that proceeds on a fast-track process known as reconciliation features a strange ritual called "vote-a-rama," as lawmakers race through a number of votes on amendments. If you are in the minority, as Republicans are now, it's a moment when you can offer finely tuned amendments that are destined to fail but will serve up red meat for voters in later elections.

These quotes are an example of this process in action, with Cotton tweeting a talking point just hours after the coronavirus stimulus bill was approved. Cotton isn't shy about his intentions either. On March 8, he tweeted that Dzhokhar Tsarnaev, the Boston bomber, would also get benefits and declared, "Get ready for campaign ads."

But for all the hype, there's less to these claims than one might imagine — particularly because the previous stimulus bills passed last year under GOP control also did not bar payments to prisoners and the small subset of undocumented immigrants referenced by Barrasso.

The Facts

People in prison

Let's start with the prison claim. At issue is an amendment offered by Sen. Bill Cassidy (R-La.), which would have denied stimulus checks to any person if the treasury secretary has knowledge that an individual has been imprisoned. The criteria was based on categories listed in a 2009 law that suspends Social Security benefits for people in prison.

A similar amendment was offered — and defeated — during the Feb. 5 vote-a-rama on the budget resolution.

Spokespeople for Cotton and Barrasso both noted that a federal judge last year paved the way for prisoners to get checks, after she blocked the Internal Revenue Service from implementing rules that would have blocked payments to incarcerated people. The stimulus bills have excluded some people: nonresident aliens, an estate or trust and people who are dependents on someone else's tax return. But the law did not exclude payments to incarcerated individuals, so the judge said the IRS could not rewrite the law on its own after it had already issued payments to people in prison.

The GOP spokespeople argued that the amendments were an effort to fix an issue created by the judge's ruling.

Cotton made the same point in a Twitter thread: "This was a problem. Congress (or at least Republicans) did not intend to send prisoners serving life sentences stimulus checks as part of CARES."

But prisoner advocates say this is just theater.

"The two previous stimulus bills [CARES and the Consolidated Appropriations Act] had the exact same eligibility requirements as this bill, and Tom Cotton voted for both of them," said Kelly Dermody, managing partner of San Francisco-based Lieff Cabraser Heimann & Bernstein, one of the law firms that acted on behalf of prisoners. "The judge's ruling in our case merely pointed out that the IRS had acted wholly arbitrarily in applying its own eligibility criteria that were different from the clear eligibility language [approved by Tom Cotton] of the CARES legislation. The current bill is status quo, not different."

Dylann Roof has been in prison since 2016 and presumably would earn little or no income. But he or any other prisoner could file a form with the IRS that they had no income but were eligible for a payment, prisoner advocates said. But it has been difficult for many people in jail to receive payments. The IRS started to send people prepaid debit cards, which cannot be used in jail and often are seized by prison authorities.

The difficulty of getting payments to prisoners also underscores how difficult it would be for the Treasury Department to determine whether people receiving payments met one of the conditions set in the Social Security law.

In arguing against the amendment during the floor debate, Sen. Richard J. Durbin (D-Ill.) noted that more than just prisoners would be affected. "This amendment will cause harm to the families of incarcerated individuals, joint filers who would receive only half of the payment that the families are owed while the spouse is incarcerated," he said. "Given the stark racial disparities in our criminal justice system, this would cause the most harm to Black and Brown families and communities already harmed by mass incarceration." He also said the Social Security legislation "has a safety valve giving discretion to allow payments to persons because of mitigating circumstances," which was missing in the proposed amendment.

Undocumented immigrants

The new stimulus bill and the previous ones all denied benefits to "any nonresident alien individual." But Republicans claim that this language left open a loophole that they tried to close with an amendment offered by Sen. Ted Cruz (R-Tex.). This amendment provided that no "alien who is not lawfully present" in the United States should receive any payments.

What's the difference? You need a Social Security number to get a stimulus payment and virtually no undocumented immigrants have Social Security numbers. But Bronwyn Lance, Barrasso's communications director, said that people who arrive in the United States on work visas can obtain Social Security numbers — and so if they overstay their visas, they could obtain a stimulus payment.

This appears to be a rather small universe of people. A 2019 report by the Department of Homeland Security shows that 67 percent of visa overstays are tourists who arrived in the United States for business or pleasure. The report does not break down how many people overstay temporary work visas, but those visas are part of a category with a relatively small percentage of overstays.

"It doesn't matter the amount of people or why they came," Lance said. "The fact is the vote was against even a single illegal immigrant receiving the check." She noted that when a similar amendment was offered during the budget resolution debate, eight Democrats supported it. But then none did so during the most recent vote-a-rama.

As with the previous prisoner amendment, it is unclear how the IRS would be able to determine whether someone filing a tax return with a Social Security number had overstayed his or her work visa.

One change in the latest stimulus bill is that it does not penalize family members with an Individual Taxpayer Identification Number (ITIN) — someone who is required to file a tax return even if they do not have a Social Security number, such as a dependent or spouse of a nonresident alien visa holder. Previously, U.S. citizens could have been denied a stimulus payment if a spouse or parent filed a tax return with an ITIN.

"In the current bill, there is no 'marriage penalty' for having a family member that files taxes with an ITIN, as existed in the Cares Act," said Jackie Vimo, a policy analyst at the National Immigration Law Center. "But all three bills require the recipient of the EIP [Economic Impact Payments] to have a Social Security number."

The Pinocchio Test

Both of these talking points lack significant context. Cotton and Barrasso claim Democrats are actively trying to give stimulus checks to murderers and undocumented immigrants. Not only is that wrong, but both voted for previous stimulus bills that did not have narrowed criteria. The goal was to get checks out as quickly as possible without burdensome regulations. It's hard to craft rules that target mass murderers without also penalizing the families of people in prison for much less heinous crimes.

Barrasso did not resort to Cotton's scaremongering, more carefully saying that prisoners might receive a stimulus check. But his immigration phrasing was misleading, as viewers might have thought Barrasso was talking about all undocumented immigrants. In fact, the amendment was aimed at a relatively small group, since virtually all undocumented immigrants do not qualify for payments.

Both of these talking points mainly are crafted for future campaign ads, not serious legislation. Cotton and Barrasso earn Two Pinocchios.

Update, Jan. 6, 2022: We received an email from Cotton's press secretary, James Arnold, who noted that Tsarnaev did indeed receive a stimulus check. This news emerged in a filing made by the Justice Department seeking to seize the money for criminal restitution he still owes.

"You portrayed Senator Cotton's amendment as pure political theater—'not serious legislation'—warning of an outcome that, according to your article, was very unlikely to happen," Arnold wrote. "Now that it has in fact happened, we're asking that you update your story to include that Senator Cotton's concerns did come true and that his amendment would have prevented it." He added that "we also disagree with your claims that Senator Cotton's efforts were solely political, designed only for campaign ads etc., instead of based on legitimate policy disagreements." He noted, for instance, the use of the phrase "scaremongering."

We take such requests seriously and are always willing to review a fact check in light of new information.

Cotton primarily received the Two-Pinocchio rating because his comments lacked context. He suggested this problem was the result of something Democrats did, when he had previously voted for legislation with the same language that allowed for checks to be issued to prisoners. He also made it clear that he intended weaponize this debate for campaign ads.

Still, Cotton's predictive powers should be acknowledged. He said the Boston bomber would get a stimulus check — and Tsarnaev did. Now, if the government is successful, this money will go to victims. So Tsarnaev still will not keep it. But in retrospect, the use of the phrase of "scaremongering" was inappropriate. Cotton had raised a legitimate issue of concern, even if he framed it in a political way. The term "hyped up" in the headline went too far as well.

Thus, we will reduce the rating on this claim to One Pinocchio — our version of "mostly true." His statement still lacks some context but he was certainly correct that Tsarnaev would receive a stimulus check.

One Pinocchio

(About our rating scale)

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ARPA Allocates $2 Billion to Nonexistent County Governments

The government of Hartford County, Connecticut is in line to receive $173 million in local aid under the American Rescue Plan Act (ARPA). There's only one problem: the government of Hartford County doesn't exist, nor do any of Connecticut's other counties have county-level government despite being allocated a collective $691 million under the bill.

The traditional county lines are useful for certain purposes, like electing a few countywide officials, but there is no proper county government to receive, let alone spend, these funds.

Similarly, Rhode Island counties receive $205 million, but Rhode Island doesn't have counties, at least not as anything more than convenient jurisdictional lines.

Another $15 million worth of local Fiscal Recovery Funds goes to Alaska's Unorganized Borough, which is—in a word—unorganized. It is a collection of sparsely populated Census districts across the state, has no centralized functions or authority, and is simply the catch-all classification for the roughly 50 percent of Alaska land that is not part of the 19 Organized Boroughs. Actual government administration in the Unorganized Borough is at the city level.

Eight of Massachusetts' 14 county governments were dissolved since the 1990s, but they are still entitled to $942 million in aid, while the six "functional" counties get another $395 million even though their budgets are quite small. Norfolk County's entire FY 2021 revenues were $19.5 million, since most governmental functions in Massachusetts are carried out by cities and towns, but Norfolk is entitled to $137 million in Fiscal Recovery Funds under the American Rescue Plan Act—seven times its annual budget.

In Vermont, county governments do exist—barely—but have very few responsibilities and no independent revenue authority, drawing the funds to pay a few local officials—sheriffs, judges, and justices of the peace—from the state. Yet these counties, which have no functions on which this aid can be spent, receive a collective $121 million.

All told, that's nearly $2 billion to counties without governments or independent revenue streams, not even counting the $395 million to Massachusetts' functional counties, which have very few expenditures.

Separately, there's the case of New York City, where city government receives $4.3 billion but the five constituent counties (coextensive with the five boroughs) receive another $1.6 billion even though most spending is consolidated at the city level.

Even in states with more traditional divisions of city and county authority, allocations cannot capture the diversity that exists across the U.S. in what is funded at the state level, at the county level, and at the city, town, borough, or township level. Across the country, there is a wide diversity in the distribution of governmental authority. Which level of government pays for schools, roads, public safety, and other major expenditures varies, but by providing formula-driven aid directly to localities, ARPA cannot reflect these important differences.

Allocations to cities, moreover, are made according to the Community Development Block Grant formula, which was designed to assess low-income housing needs in urban areas and is thus poorly suited to the task of allocating pandemic-era governmental aid. Suburban and rural areas have needs as well, and a program developed for the U.S. Department of Housing and Urban Development (HUD), which includes factors like the number of pre-1940 housing units and the number of overcrowded units, is unlikely to allocate aid according to local revenue needs.

Like states, local governments can only spend their Fiscal Recovery Funds on four categories of eligible expenditures:

1. Responding to the public health emergency and its negative economic consequences (similar to the purposes authorized under the $150 billion Coronavirus Relief Fund in the CARES Act);
2. Providing supplemental pay to essential workers;
3. Replacing lost revenue; and
4. Investing in necessary water, sewer, and broadband projects.

Collectively, local revenue was *up* about $29 billion (4 percent) in 2020, largely due to increased property tax collections, yet the American Rescue Plan Act provides $130.2 billion to local governments, most of which have no losses to offset. Many will struggle to find eligible ways to spend the money and will often wind up spending vast sums on relatively unimportant projects simply because they have no higher eligible use.

In a few states, moreover, the federal government has allocated money to counties with no functioning governments at all. Several may have no entity even capable of certifying for the funds, but others may be able to do so despite having no conventional functions to spend it on, or, in the case of Massachusetts' functional counties, even though the aid vastly outstrips their budgets.

Source: https://taxfoundation.org/american-rescue-plan-local-government-funding/

Fort Bend Commissioners Approve $157 Million In COVID-19 Relief, Over County Judge's Objections

County Judge KP George said the plan to use $157 million in federal aid included spending on numerous government projects unrelated to pandemic recovery and rigged the selection process for organizations to receive grants.

ANDREW SCHNEIDER | POSTED ONMAY 5, 2021, 3:51 PM (LAST UPDATED: MAY 5, 2021, 5:59 PM)

Fort Bend County will spend $157 million dollars in federal COVID-19 relief funds, after a majority vote of county commissioners passed despite the objections of Fort Bend County Judge KP George.

George was the only member of the commissioners court to vote against the spending plan, funding for which would be allocated under the American Rescue Plan.

The county judge said the plan approved by Fort Bend County's four commissioners – two Republicans and two Democrats – includes many items that have little or nothing to do with helping the county recover from the pandemic, including a multimillion-dollar courtroom expansion and new government buildings, government vehicles, and government audio-visual tools.

"They cut (a) deal behind the scenes and came and voted on it, and $157 million, the debate was less than one minute," George said. "That explains a lot. So, unfortunately...I had to stand by principle. I know that I am alone in this."

Houston Public Media reached out to commissioners Vincent Morales, Grady Prestage, Andy Meyers, and Ken DeMerchant for comment. None were available by press time, as the court was meeting all day Wednesday to discuss budget matters.

George went up to the line of accusing the commissioners of breaking the law in the way they came to their decision on how to spend the funds,

"Everything was decided already, which is even in my opinion, a violation of (the) Open Meetings Act," George said, before walking it back slightly, saying he had "no proof."

George also said the plan picked winners and losers, by singling out specific organizations for relief funding instead of using an open application process.

"This commissioners court meeting, there is five nonprofit organizations," George said. "I called them, and I work with them every single day. They came and spoke and said,

'you know, why are you not giving us a piece of it?' And then some people are getting up to $4 million. In my opinion, that is absolutely not OK."

In a follow-up statement, George clarified his position.

"This is a once-in-a-lifetime opportunity that requires us to include the community's input," George wrote. "While I support those organizations and some of the items included in the preliminary proposal, this should be a transparent process in which members of the community and community organizations have an opportunity to actively participate."

Source:
https://www.houstonpublicmedia.org/articles/news/politics/2021/05/05/397566/fort-bend-county-commissioners-overrule-judge-to-approve-covid-19-relief-package/

Fort Bend County leaders approve initial distribution plan for $157.42M in COVID-19 relief funds

By **Morgan Theophil** | 4:50 PM May 4, 2021 CDT | Updated 1:23 PM May 10, 2021 CDT

Note: This story has been updated to correct the amount of funding the preliminary budget designates to nonprofits.

In a divided vote, Fort Bend County commissioners May 4 approved a preliminary budget recommendation for the allocation of $157.42 million in American Rescue Plan Act coronavirus relief funds.

The recommendation, which county officials said could change based on future guidance expected from the U.S. Department of the Treasury, was approved in a 4-1 vote, with County Judge KP George voting against it.

The $1.9 trillion American Rescue Plan was signed into law in March. According to the Texas Association of Counties, counties can use the funds for several purposes, including responding to the public health emergency and its negative economic effects by providing assistance to households, small businesses, nonprofits or industries hit particularly hard by the pandemic.

The county's preliminary budget recommendation designates $27,000,000 to nonprofit partnerships, including $2,000,000 to the Edison Arts Foundation, $1,000,000 to the Fort Bend Museum Association and $500,000 to Fort Bend Seniors Meals on Wheels.

Representatives from several nonprofits who were not listed to receive funds spoke during the meeting, asking for an opportunity to apply for some of the funding. Among them was Vita Goodell, CEO of the Fort Bend Women's Center, who said the nonprofit has seen about a 20% increase in the number of people it has served since the pandemic began.

"COVID was hard, has been hard and is continuing to be hard," she said. "We would really like to advocate for a chance to apply for some of the funds that are coming through Fort Bend County. ... There's a lot of need here; we're able to fulfill it; we'd just like a chance to apply for that."

Similarly, Shannan Stavinoha, executive director of Parks Youth Ranch, which provides emergency shelter, counseling and services to abused and neglected youth, said the

nonprofit's needs also have increased during the pandemic.

“I am not questioning the merit of any of the projects that were outlined or allocated funds; all of them are great organizations that I have come to know and love and support myself,” she said. “However, there are countless social service programs in our community, in Fort Bend County, that were not given the opportunity to apply for or be considered for this funding that we desperately, desperately need.”

Echoing those concerns, George said he was voting against the budget because he did not think the court should dictate which nonprofits should get funds. He suggested the county wait to vote on the budget and instead create a pot of money and allow nonprofits to apply before decisions are made about where to distribute the funds.

“I believe every nonprofit, including those listed and those who we heard here today, they all help and support and protect our our children and our citizens on a daily basis; our office works with them on a daily basis," he said. "So it is not fair.”

In addition, George said he was voting against the preliminary budget recommendation because he thinks more research is needed to determine what items or projects are eligible for funding at all. For example, the preliminary budget has $7,000 earmarked for a build-out for the Justice Center Courtroom, something George said might not actually qualify. Counties can use the federal funds for pandemic-related expenses only, according to the TAC.

“If we approve this [preliminary budget recommendation] as it is, I think it is a big mistake,” George said.

The remaining members of the court voted in favor of the preliminary budget recommendation, however. Precinct 3 Commissioner Andy Meyers said he wanted to make clear that the vote was indicating the court's initial approval and said the county may adjust the budget after receiving additional guidance from the U.S. Department of the Treasury.

“As we get guidance from the Treasury Department, and that's coming up in a couple of weeks, I believe this may change as it relates to the action we're taking now,” he said. “And even after that, as the situations, the circumstances change, we may again change. So if you got left out, there's still a possibility that things will be modified.”

Meyers said the county will work to allocate the money fairly.

“This is a moving target for us to say the least,” he said. “We'll do our best to make certain

we allocate the money as fairly as we can."

Counties must spend the funds by Dec. 31, 2024.

Source:
https://communityimpact.com/houston/katy/government/2021/05/04/fort-bend-county-leaders-approve-initial-distribution-plan-for-15742m-in-covid-19-relief-funds/

The New York Times https://www.nytimes.com/2021/07/06/us/politics/stimulus-bill-usa.html

States and Cities Scramble to Spend $350 Billion Windfall

The Biden administration is betting on the funds to keep the recovery humming, but Republicans say the money is being wasted.

By Glenn Thrush and Alan Rappeport
Published July 6, 2021 Updated July 7, 2021

WASHINGTON — When Steve Adler, the mayor of Austin, heard the Biden administration planned to give billions of dollars to states and localities in the $1.9 trillion pandemic aid package, he knew exactly what he wanted to do with his cut.

The remarkable growth of the Texas capital, fueled by a technology boom, has long been shadowed by a rise in homelessness, so local officials had already cobbled together $200 million for a program to help Austin's 3,200 homeless people. When the relief package passed this spring, the city government quickly steered 40 percent of its take, about $100 million, to fortify that effort.

"The inclination is to spread money around like peanut butter, so that you help out a lot of people who need relief," Mr. Adler, a Democrat, said in an interview. "But nobody really gets all that they need when you do that."

The mayor of Austin, Steve Adler, steered $100 million of pandemic relief funding to initiatives that help the homeless population. Ilana Panich-Linsman for The New York Times

The stimulus package that President Biden signed into law in March was intended to stabilize state and city finances drained by the coronavirus crisis, providing $350 billion to alleviate the pandemic's effect, with few restrictions on how the money could be used.

Three months after its passage, cash is starting to flow — $194 billion so far, according to the Treasury Department — and officials are devoting funds to a range of efforts, including keeping public service workers on the payroll, helping the fishing industry, improving broadband access and aiding the homeless.

"It's not like all places are rushing out to do the most aspirational things, since the first thing they need to do is replace lost revenue," said Mark Muro, a senior fellow with the Brookings Institution, a nonpartisan Washington think tank. "But there is much more flexibility in this program than in previous stimulus packages, so there is more potential for creativity."

The local decisions are taking on greater national urgency as the Biden administration negotiates with Republicans in Congress over a bipartisan infrastructure package. Some Republican lawmakers want money from previous relief packages to be repurposed to pay for infrastructure, arguing that many states are in far better financial shape than expected and that the money should be put to better use.

The administration, sensitive to those concerns, has begun bending the program's rules to allow the money to be spent even more broadly. In May, the Treasury Department told states they could use their funding to pay for lotteries intended to encourage vaccinations. In June, Mr. Biden prodded local governments to consider using the cash to address the recent rise in violent crime, which his aides regard as a

serious political hazard heading into the 2022 midterm elections.

For the most part, local officials have been focused on undoing the damage of the past year and a half.

Maine officials are looking to spend $16 million to bolster the fishing industry, which is facing a combination of lobster shortages and hungry consumers, flush with money after more than a year in lockdown. Alaska is already pouring cash into fishing.

In North Carolina, the concerns are more terrestrial: The governor wants to direct $45 million in relief funds to motorsports, which took a hit when the pandemic halted NASCAR.

Maine officials are looking to spend $16 million to bolster the fishing industry, which is facing a combination of lobster shortages and hungry consumers, flush with money after more than a year in lockdown. Greta Rybus for The New York Times

In conservative-leaning states like Wyoming that did not incur major budget deficits during the coronavirus, officials have been freed to spend much of their cash on infrastructure improvements, especially rural broadband.

Places like Orange County, Calif., that poured significant funding into fighting the spread of the pandemic are using a lot of their money to pay for huge community vaccination campaigns. And the midsize cities that make up the county — Irvine, Garden Grove and Anaheim — are directing most of their $715 million to plug virus-ravaged budgets.

Last week, New York City passed its largest budget ever, about $99 billion, bolstered by $14 billion in federal pandemic aid that will be used in nearly every facet of the city's finances. An infusion of cash will cover budget gaps and an array of new programs, including youth job initiatives and college scholarships, as well as allowing the city to set aside $1 billion in local expenditures for a backup fund.

Local officials, especially Democrats, have tried to leverage at least some of the windfall to address chronic social and economic problems that the coronavirus exacerbated.

After a series of community meetings in Detroit, Mayor Mike Duggan and the City Council opted for a plan that divided the city's $826 million payout roughly in half, with about $400 million going to recoup Covid-19 losses and $426 million to an array of job-creation programs, grants for home repairs and funding to revitalize blighted neighborhoods.

In Philadelphia, officials are considering using $18 million of the new aid to test a "universal basic income" pilot program to help poor people. That is among the uses specifically suggested in the administration's guidance. Several other big cities, including Chicago, are considering similar plans.

The Cherokee Nation, which is receiving $1.8 billion of the $20 billion set aside for tribal governments, is replicating the law's signature initiative — direct cash payments to citizens — by sending $2,000 checks to around 400,000 members of the tribe in multiple states.

The $350 billion program has led to legal battles, with officials in many Republican-led states fighting one of the few restrictions placed on use of the money, a prohibition against deploying it to subsidize tax cuts, and partisan clashes erupting over which projects should have been given priority.

And the cash has spawned partisan conflict. Gov. Mark Gordon of Wyoming, a Republican, announced this month that the state would use only a fraction of the approximately $1 billion it was expected to receive on emergency expenditures this year, and would discuss how to use the rest.

"These are dollars borrowed by Congress from many generations yet to come," he said in a statement this spring.

The idea of the federal government's distributing such vast sums has been charged from the start. Republican lawmakers successfully blocked a large state and local package during the Trump administration, denouncing it as a "blue-state bailout" that helped fiscally irresponsible local governments.

Not a single Republican in either house of Congress voted for the bill. Yet the vast majority of officials from conservative states have welcomed the aid without much fuss. In general, Republican governors and agency officials have tilted toward financing economic development and infrastructure improvements, particularly for upgrading broadband in rural areas, rather than funding social programs.

When the administration updates the guidance for the funding this summer, it is likely to loosen the restrictions on internet-related projects at the behest of Republican state officials, a senior White House official said.

One of the most ambitious plans in the nation is being formulated by Indiana, a Republican-controlled state that is using $500 million of the stimulus money for projects aimed at stemming the decades-long exodus of workers from postindustrial towns and cities.

"It's huge — it's found money — nobody thought it was going to be there," said Luke Bosso, the chief of staff at the Indiana Economic Development Corporation, which has been working on the effort for years.

The Cleveland-Cliffs steel mill in Burns Harbor, Ind. Indiana is using its stimulus funds on projects aimed at stemming the exodus of workers from postindustrial towns and cities. Taylor Glascock for The New York Times

While lawmakers in Washington debate the scope of a new infrastructure bill this year, the package that passed in March already represents a major down payment for a variety of infrastructure projects.

Christy McFarland, the research director of the National League of Cities, said many cities across the country were preparing to put money into infrastructure projects that had been delayed by the pandemic, and investing in more affordable housing and spending on core needs such as water, sewer and broadband.

However, she said she was also seeing creative ideas such as recurring payments to the poor and investments in remote-work support emerge as cities looked to expand their safety nets and modernize their work forces.

"We're also seeing communities that never recovered from the Great Recession, have an opportunity to think much bigger," Ms. McFarland said. "They're asking what they could do that would be transformational."

The slow pace of recovery from the last recession has been a driving force behind the White House's push. Mr. Biden has been eager to avoid a mistake that hobbled the last recovery's pace — underestimating the drag that faltering local governments would have on the national economy. Gene Sperling, a former Obama adviser now overseeing Mr. Biden's pandemic relief efforts, said not providing help to local governments meant annual economic growth "of about 2 percent versus growth of 3 percent."

The effort also serves Mr. Biden's political objectives by bypassing national Republicans to build trust with voters in rural counties, small towns and midsize cities in the Midwest and elsewhere.

"Something like this creates a space for a White House to be talking to governors and mayors of both parties about the basic mechanisms of governing that just cuts through the politics," Mr. Sperling said. "That's a good thing."

HEALTH CARE

Biden admin reroutes billions in emergency stockpile, Covid funds to border crunch

The reshuffling illustrates the extraordinary financial toll that sheltering more than 20,000 unaccompanied children has taken on the department so far this year.

Health and Human Services Secretary Xavier Becerra speaks at the Long Beach Convention Center, Thursday, May 13, 2021, in Long Beach, Calif. | Mark J. Terrill/AP Photo

By ADAM CANCRYN
05/15/2021 09:00 AM EDT
Updated: 05/16/2021 05:48 PM EDT

The Department of Health and Human Services has diverted more than $2 billion meant for other health initiatives toward covering the cost of caring for unaccompanied immigrant children, as the Biden administration grapples with a record influx of migrants on the southern border.

The redirected funds include $850 million that Congress originally allocated to rebuild the nation's Strategic National Stockpile, the emergency medical reserve strained by the

Covid-19 response. Another $850 million is being taken from a pot intended to help expand coronavirus testing, according to three people with knowledge of the matter.

The reshuffling, which HHS detailed to congressional appropriators in notices over the last two months, illustrates the extraordinary financial toll that sheltering more than 20,000 unaccompanied children has taken on the department so far this year, as it scrambled to open emergency housing and add staff and services across the country.

It also could open the administration up to further scrutiny over a border strategy that has dogged President Joe Biden for months, as administration officials struggle to stem the flow of tens of thousands of unaccompanied children into the U.S.

On its own, the $2.13 billion in diverted money exceeds the government's annual budget for the unaccompanied children program in each of the last two fiscal years. It is also far above the roughly half-billion dollars that the Trump administration shifted in 2018 toward sheltering a migrant child population that had swelled as a result of its strict immigration policies, including separating children from adults at the border.

In addition to transferring money from the Strategic National Stockpile and Covid-19 testing, HHS also has pulled roughly $436 million from a range of existing health initiatives across the department.

"They've been in a situation of needing to very rapidly expand capacity, and emergency capacity is much more expensive," said Mark Greenberg, a senior fellow at the Migration Policy Institute who led HHS' Administration for Children and Families from 2013 to 2015. "You can't just say there's going to be a waiting list or we're going to shut off intake. There's literally not a choice."

HHS spokesperson Mark Weber told POLITICO that the department has worked closely with the Office of Management and Budget to find ways to keep its unaccompanied minor operation funded in the face of rising costs.

"All options are on the table," he said, adding that HHS has traditionally sought to pull funding from parts of the department where the money is not immediately needed. "This program has relied, year after year, on the transfer of funds."

Health Secretary Xavier Becerra has the ability to shift money among programs within the sprawling department so long as he notifies Congress, an authority that his predecessors have often resorted to during past influxes of migrant children.

But these transfers come as HHS has publicly sought to pump new funds into the Strategic National Stockpile and Covid-19 testing efforts by emphasizing the critical role that both play in the pandemic response and future preparedness efforts.

"The fight against Covid-19 is not yet over," Becerra testified to a House panel on Wednesday in defense of a budget request that would allocate $905 million for the

stockpile. “Even as HHS works to beat this pandemic, we are also preparing for the next public health crisis.”

Becerra later stressed the need to “make sure we’ve got the resources” to replenish the Strategic National Stockpile, which came under scrutiny early in the pandemic after officials discovered it lacked anywhere near the amount of protective equipment and medical supplies needed to respond to the crisis.

“We’ve learned that this is going to be a critical component of being able to respond adequately and quickly to any future health care crisis,” he told Rep. Debbie Dingell (D-Mich.).

In another exchange, Rep. Markwayne Mullin (R-Okla.) repeatedly pressed Becerra over whether HHS would benefit from Congress investing more in other parts of its operation, rather than funding a further expansion of Covid testing. Mullin specifically cited the record numbers of migrant children arriving at the border.

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But Becerra batted that suggestion away, telling him that “we have to continue an aggressive testing strategy.”

"We have to continue to make investments to prevent the spread of Covid and its variants," he said.

Beyond taking funding from the stockpile and Covid testing, Weber could not immediately say what other areas within HHS have been affected. After publication of this article, HHS insisted that additional public health funding Congress allocated as part of a Covid aid bill passed in February could be steered toward the stockpile and supplementing its pandemic response.

Still, funneling money away from existing HHS programs could raise fears of undermining other critical health initiatives and irritate the public health groups and lawmakers who advocate for the funding every year.

The Trump administration faced withering criticism in 2018 for transferring hundreds of millions of dollars meant for biomedical research, HIV/AIDS services and other purposes to cover the expenses tied to an unaccompanied child population that would peak close to 14,000 that year.

That scrutiny was driven in part by bipartisan disapproval over then-President Donald Trump's "zero tolerance" policy that separated children from their parents, which left HHS with responsibility for carrying out a costly reunification effort.

The Biden administration, by contrast, has moved to unwind several of the Trump era's most restrictive immigration policies. Yet as it confronts the need to care for an even greater number of migrant children, health groups have bristled at the prospect it could take away from public health priorities even as the U.S. combats a pandemic.

"It is concerning any time funds need to be diverted from their originally intended purpose because of limited resources," said Erin Morton, executive director of the Coalition for Health Funding. "We have consistently asked our public health system to do more with less and we have underfunded essential programs that today are critical to addressing the multitude of challenges facing the country."

The transfers could also stretch funding for other programs within HHS' Administration for Children and Families, which oversees various social services including child care and support for newly arrived refugees.

Biden cited concerns about the strain on the HHS refugee office involved with both aiding refugees and caring for unaccompanied children in his initial refusal to raise the refugee admissions cap from historic lows — a decision he later reversed in the face of swift blowback.

"Obviously this will have a significant impact on the ability of ORR to serve refugees and asylees," Bob Carey, who ran the Office of Refugee Resettlement from 2015 to 2017, said of the potential need to shift more funding toward sheltering migrant children.

Still, Carey and others defended the transfers as unfortunate yet necessary, and a consequence of the urgent need to get rising numbers of unaccompanied children out of jail-like facilities at the border.

After effectively sealing the southern border last year, the Trump administration never expanded its shelter capacity to the level that HHS has pegged as critical to its preparedness, Greenberg said, leaving the department shorthanded when Biden resumed allowing migrant children into the country.

The pandemic further handicapped HHS, halving its number of available beds due to the need to follow Covid-19 precautions. That forced a scramble to build out a dozen emergency shelters that have historically, on average, cost more than double the amount per day to house each child than it does in licensed facilities.

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Source: https://www.politico.com/news/2021/05/15/hhs-covid-stockpile-money-border-migrants-488427

PLAN TO USE PANDEMIC RELIEF CASH TO FIX CITY HALL ROOF CRITICIZED

A move to allocate more than $600,000 in federal Covid relief funding to repair the ceiling in the Binghamton city council chambers is drawing fire.

The city is expected to receive about $46 million in recovery assistance under the American Rescue Plan Act that was signed into law by President Biden in March.

Some people are criticizing the plan to spend $659,000 of the special funding to make repairs to the roof and ceiling in the council chambers. City council approved the move by a 4-to-3 vote Monday evening.

Rebecca Rathmell, an advocate for the homeless in the Binghamton area, posted a message on Twitter expressing her opinion that "repairing a roof very much should *not* be considered for allocation."

Rathmell wrote that the acceptable use of the federal money would be to pay for "efforts that meet actual community needs, particularly for the residents of Binghamton who have too long been disproportionately impacted by racial housing and economic disparities."

Mayor Richard David in May said the "funding provides a once-in-a-lifetime opportunity for the City of Binghamton to catch up on major investments and identify critical needs within the community."

Source: https://wnbf.com/plan-to-use-pandemic-relief-cash-to-fix-city-hall-roof-criticized/

Stimulus checks, rent relief: Newsom unveils California economic recovery plan

More Californians will soon be eligible for a one-time $600 stimulus check, Gov. Gavin Newsom announced on Monday.

Monday, May 10, 2021

Gov. Gavin Newsom and state leaders announced on Monday a $100 billion economic recovery relief plan that will provide one-time stimulus checks, rent and utility relief for more Californians.

Part of Newsom's California Comeback Plan is expanding the state's Golden State Stimulus relief package to include families who earn up to $75,000.

The governor said the state would spend $12 billion to send out the $600 payments, which two out of every three Californians would be eligible to receive.

The $100 billion California Comeback Plan would be funded by using California's $75.7 billion operating budget surplus, and the remaining $26 billion will come from the federal government.

The plan to use the budget surplus would need to be approved by the State Legislature.

The state had predicted a $54.3 billion shortfall last year.

The state will also use billions of dollars to cover back rent accumulated since last April for Californians in need. Newsom said the economic relief package would double the state's rental assistance, allocating $5.2 billion to take care of missed rent payments.

The plan will also cover $2 billion in relief to help people pay off past due utility bills, including water and gas. Newsom said $1 billion of that allotment is expected to be set aside to address state's water crisis.

The governor said more of the state's comeback plan would be revealed throughout the week, including funding for schools to bring all students back by next fall.
"Everybody should be back in the fall and in-person instruction safely in fact, our budget

will reflect even more support than the previous support that has been provided for health and safety," Newsom said.

Gov. Newsom said he was aware of the decline in the number of people seeking the COVID vaccine and urged people to get their shots, saying California's economic recovery was, "Predicated on ending the pandemic."

California's positivity rate reached the lowest it's been since the pandemic began, with the seven-day rate at 1%.

62% of Californians have received their first dose, which Newsom said was an encouraging percentage.

Some California doctors have said that the state could reach herd immunity; however, there is still disparity among counties up and down the state. In Central California, vaccine demand has declined significantly, and local health officials voiced their concerns last week of a potential surge in the summer.

Newsom's address comes after the race for Republican candidates looking to challenge the Democratic Governor in an all but certain recall election kicked off last week. San Diego businessman John Cox kicked off his campaign, featuring a live 1,000 pound bear. Meanwhile, former Olympic decathlete and reality TV personality, Caitlyn Jenner released her first political ad in her bid for governor.

Cox, whose tour bus rolled into Southern California on Monday, criticized Newsom's plan.

"Just giving money out on a one-time shot, it's going to help a little bit. But you know what? Let's get people jobs. Let's open up small businesses again. Let's get these restaurants open," he said.

Newsom didn't give a clear answer when asked if the recovery package was part of his campaign strategy.

Source: https://abc7.com/gavin-newsom-press-conference-today-california-stimulus-check-ca-golden-state/10607758/

AP reports that Broward hotel project is among many using federal COVID relief money

The site where an 800-room luxury hotel will be built alongside the Broward County Convention Center, is seen Tuesday, March 22, 2022, in Fort Lauderdale. An Associated Press review finds state and local governments have spent nearly $1 billion worth of federal coronavirus aid on projects that have little to do with combating the pandemic. In Broward County, $140 million will help to build an upscale hotel.

The Broward project and many other state and local projects across the country are using federal coronavirus relief money despite having little to do with combating the pandemic,

An Associated Press review finds that state and local governments have spent nearly $1 billion worth of federal coronavirus aid on projects that have little to do with combating the pandemic.

The spending includes $140 million by Broward County that will help to build an upscale hotel in Fort Lauderdale, adjacent to the Broward County Convention Center.

When congressional Democrats passed their $1.9 trillion American Rescue Plan a year ago, they characterized it as “emergency funding” that would keep front-line workers on the job, open schools and ramp up vaccinations.

However, much of money went toward projects such as a $12 million renovation of a minor league baseball stadium in Dutchess County, New York, and new Alabama prisons that received $400 million.

In Broward, the 29,story, 800-room hotel recently broke ground. When complete, the high-end hotel will have views of the Atlantic Ocean and an 11,000-square-foot spa.

County officials defended their project, which will be owned by the county but operated by a private management group, the AP reported.

They also contest whether federal money is technically being used for the project. Broward initially routed $140 million in federal coronavirus aid to the project, which ran against Treasury Department rules that generally bar spending the money on large capital projects.

To get around the prohibition, the county adopted a common workaround.

The agenda from a Feb. 22 county board meeting details how: In a back-to-back series of unopposed votes, commissioners clawed back the federal money they had given to the hotel. They then transferred it to the county’s general fund, describing it as a federal payment to cover lost tax revenue, which is an acceptable use. Then the cash was transferred from the general fund right back to the project.

Source: health.wusf.usf.edu/health-news-florida/2022-03-24/ap-reports-that-broward-hotel-project-is-among-many-using-federal-covid-relief-money

Mr. DOGGETT. Thank you.

Chairman YARMUTH. I thank both of you.

I now recognize the gentlewoman from Illinois, Ms. Schakowsky, for five minutes.

Ms. SCHAKOWSKY. Thank you, Mr. Chairman, and thank you, Mr. Secretary. Always great to see you.

I wanted to talk about seniors—no surprise—because I am the Chair of the Task Force on Aging and Families, and this has been a priority for me, as you know.

So there is nearly 1.3 million seniors and people with disabilities who are living in nursing homes right now and each one of them deserves a really good quality of life. The pandemic was just terrible, you know. No. 1, of people who died, people in nursing homes that, you know, was kind of a deathtrap situation in many ways. And, you know, public dollars through Medicare and Medicaid make up 70 percent of long-term care funding. So taxpayers are really paying for these institutions. And yet what we see is private equity firms have gotten more involved and they have been—nursing homes often—too often I think, are seen as a way to really make some money, sometimes milking them for the money. And we need to do better.

So, Secretary Becerra, we are really grateful to President Biden for the initiative to improve nursing home quality, safety and oversight, and we really welcome what was set as almost $500 million included for the Center for Medicare and Medicaid Services, CMS, for that purpose.

So what I really want to know, and what keeps me concerned, is whether this is actually going to be enough to address the—what I think is a really big issue of making sure that we are able to improve care in long-term care facilities.

Secretary BECERRA. Congresswoman, first, great to see you again and thank you for the hug earlier in the hallway.

Ms. SCHAKOWSKY. I wasn't going to mention that. It was a good hug.

Secretary BECERRA. The President made it very clear that we are going to really go in and look deep at nursing homes, because we saw so many Americans die as a result of COVID. That is where we saw the greatest number of Americans dying early on.

Ms. SCHAKOWSKY. Over 200,000.

Secretary BECERRA. Yes. And unfortunately dying by themselves because they couldn't be joined by their family members.

And so we just can't experience that again. So the President has laid out some pretty strong markers. We are going to do more oversight. I mentioned this to Congressman Doggett. We are going to make sure that we find out if these facilities are adequately staffed, if they have people who are adequately trained. The President in his budget does provide resources that makes it possible for us to provide additional relief to about a million and a half caregivers and families so we can increase the access because the demand is so great. But we are also going to do something a little differently as well. There are a lot of those folks who are in nursing homes who don't have any choice because families don't have an alternative. Home and community-based services——

Ms. SCHAKOWSKY. Yes.

Secretary BECERRA [continuing]. are a great alternative. Because if your loved one can be at home where he or she feels the most comfortable, surrounded by loved ones, cared for by loved ones, with some professional help, that is the best way you can go. I say that as a son who had a chance to watch his father pass away in my home and cared for him and my mother for four years while I was living in Sacramento. There is nothing like and we are going to—especially if you pass Build Back Better or some elements of it, we will be able to make game changing investments in home and community-based care.

And I hope that what you do is realize that Americans are crying out for the ability to care for their loved ones closest to home as possible.

Ms. SCHAKOWSKY. No question about it. And, you know, we also want to think about the work force and the workers themselves. And, you know, if you are a home care worker the average wage that you make is something like $12 an hour around the country. So it is really hard to get people to do that work even though they want to do that work. So we have to care for the caregivers, both the home caregivers, the family caregivers, and the people who work there too.

So thank you very much. We are going to—anything we can do to work with you, with our task force to make sure that home and community based, as well as the facilities can benefit.

So thank you.

Secretary BECERRA. Thank you.

Chairman YARMUTH. The gentlewoman's time has expired.

I now recognize the gentleman from Wisconsin, Mr. Grothman, for five minutes.

Mr. GROTHMAN. Thank you.

I am going to lead off talking about one of my pet topics. I spoke last week with a Dr. Dror from Israel and he felt—it was a small study, I don't think the sample is enough that you could write home about it—but he found that people who were Vitamin D deficient were 14 times more likely to get severe COVID and 11 times more likely to die. I also talked to a Dr. Meltzer from the University of Chicago. I am not going to quote his numbers, but I think it would be accurate to say that he feels that over half of the COVID deaths could have been prevented with adequate Vitamin D. And a guy by the name of—his name is Carl Flager from Stanford, who—maybe similar amounts. And I have tried to in my own little world publicize it. But when you are talking about a life savings of that amount, it is very frustrating to me that you—and I will include your predecessor in the group—have done nothing to publicize that. I mean you can't turn around without running into things about social distancing or masking or vaccinations, enough that everybody has heard these things millions of times over, but the fact that Vitamin—and of course if you publicized Vitamin D more not everybody would take it, just like not everyone gets a vaccine, but I think you would get a lot of people to take it. And it is apparently good for other health problems other than just the COVID. I mean you talk about 11 times less likely to die, it is kind of a big number.

In my district people are beginning to feel that the reason that the establishment doesn't push it is because you can get a big bottle of Vitamin D for $20 at Walgreens and they would rather—you know, there is no money to made in it so we don't push it.

Could you give me your opinion of Vitamin D and say, in the future, with all of the money you have floating around, maybe you want to tell about these—you know, publicize it a little bit more for people?

Secretary BECERRA. Congressman, thank you for the question. No doubt that vitamin deficiencies lead to a lot of different consequences in the health of so many American people.

Mr. GROTHMAN. Eleven times more likely to die.

Secretary BECERRA. And so what I would say to you is that the health professionals and the scientists at Health and Human Services, whether it is at CDC or FDA, NIH, I know that they are doing some extremely important—some of the most cutting edge research. And I am not prepared to give you exactly what they are doing right now on the issue of Vitamin D, but I certainly am willing to followup with you. But I agree with you to the point that vitamin deficiencies can lead to lots of consequences for folks. And so we know that there are real efforts—should be under way to make sure that we are doing the things that are most basic and cost effective to try to keep people healthy.

Mr. GROTHMAN. Well, I mean there are so many studies out there. Now, I think the problem they have is all these studies show correlation not necessary causation. But when you have things like 11 times more likely—and, you know, I can give you these names of these professors from around the country. I mean the idea that we are two years into this pandemic and—I guess even Dr. Fauci—who I have a low opinion of—I guess even he has privately told people how much Vitamin D he takes, but for some reason when he gets on TV he zips his mouth.

I do feel—and like I said, your predecessor is in the same boat, because I certainly tried to publicize it before Biden was elected. Couldn't get a lot of movement then either. But I want you to look at it, maybe publicize it, and maybe you can—you know, we could have saved a lot of lives. I mean I think 300–400,000 in my opinion, but.

I talked to you in the Labor Committee with regard to what I felt was too much emphasis on racial groups, that sort of thing, by your agency. I will mention here—maybe you will recognize it—new payment model for physicians who implement anti racism in their care plan. And an implication in some of the monoclonal antibodies distribution that race should come into play. I have the documentation here. Do you feel your office is emphasizing—I mean to me, a person is a person. I will say with regard to Vitamin D, they could have emphasized that dark skinned people are more likely to be Vitamin D deficient. I think I am the only who talks about that as well. You could have really saved a lot of lives there.

But, yes, do you feel you are pushing this divisiveness by race a little bit too much in your agency?

Chairman YARMUTH. I am going to have to say the gentleman's time is expired.

Secretary BECERRA. And, Mr. Chairman, I can answer in—oh, it is expired.

Chairman YARMUTH. OK.

Secretary BECERRA. But I would say the answer is a straightforward no. we are looking toward equity to make sure no one is excluded.

Chairman YARMUTH. I thank the Secretary for that quick response.

I now recognize the gentleman from Michigan, Mr. Kildee, for five minutes.

Mr. KILDEE. Thank you, Mr. Chairman. Mr. Secretary, it is always good to see you.

Secretary BECERRA. Thank you.

Mr. KILDEE. Good to have to you back.

Secretary BECERRA. Thank you.

Mr. KILDEE. And thanks for being here.

I was really pleased to see in the proposed budget regarding the Indian Health Service change that we have been long advocating for. The federal government, as we know, has a trust responsibility to ensure uninterrupted health access for Tribal Communities. It is something that you and I worked together on when you were here in Congress.

Currently, the Indian Health Service is funded differently than other health programs, as you know, like the VA for example. This unequal treatment means that access to healthcare is often at risk in the event of a government shutdown. And of course this is not a hypothetical situation. When the government partially shut down from 2018 to 2019 the staff employed at the Indian Health Service clinics had to work without pay and important preventive tribal health programs were forced to stop. And that is just not right.

As a Member of this Committee, I have been advocating for some time for parity between IHS and other federal health programs. And I think the Chairman—I wish to thank President Biden himself for including this initiative in the annual budget. And I am committed to working with the Administration to get this fixed. And I wonder if you can perhaps address how important permanent funding, funding that is not subject to the whims of congressional action and being suspended by a shutdown could have an impact on tribes that deliver services, tribes like the Saginaw Chippewa Tribe that I represent. And, particularly, if you just might address how this initiative and others might help address care for Tribal Communities.

Secretary BECERRA. Congressman, first, thank you for your leadership on this issue for so long. I think you mentioned it, I think we feel we have a moral obligation to help our veterans, we have a moral obligation to help seniors who have contributed to the Medicare program, we have a moral obligation to our children to make sure that they can grow up health and we provide the CHIP program for them, Medicaid. We not only have a moral obligation to our Tribal Communities, we have a constitutional obligation. It is in the Constitution. And in the treaties that we have signed, we have a trust obligation to do these things, yet we have never done it. And it is high time we do. And it has been a—as I said, a moral failure on the part of the nation to not recognize it, perhaps be-

cause the Native American population is so small some people can ignore it, but we shouldn't because we are talking about the health of human beings, our brothers and sisters.

And so I am proud that President Biden is the first president to step forward and say it is time to recognize not just our moral obligation, but our constitutional and legal obligation to Indian Country to do what we are supposed—we should have been doing a long time ago for these Tribal Nations.

Mr. KILDEE. Well, I thank you for that. And I know you worked with and served with my late uncle, Dale Kildee, who actually once served as a Member of this Committee as well. And this was part of his life's work. And so the fact that we are in now a position to see this action taken I think is in many ways a testament to his long work in this subject. So I thank you for that.

Secretary BECERRA. Amen.

Mr. KILDEE. Another subject that I have been working on and spending a great deal of time on has to do with the access to affordable clean water. We all know what took place in my hometown of Flint, Michigan. If it were only just an anomaly and not a warning to the rest of the country it would be sad enough, but it really is just a warning.

The problem that we have though is that in many of the communities like my hometown, water is really expensive. An average family in Flint pays $864 a year for water. Some people pay into the thousands of dollars a year for drinking water.

So I was happy that we were able to work together to form the Low Income Housing Household Water Assistance Program, secured a billion dollars for that effort. The program is making a difference, but it is set to expire at the end of 2023 and water is not going to suddenly become affordable at the end of 2023 in many of those communities. And I wonder if you might just discuss your thoughts on the Low Income Housing Household Water Assistance Program, what it means for places like Flint, Saginaw, Bay City and others? And what the Administration hopes to do in extending funding for this really important water assistance program.

Secretary BECERRA. Congressman, the President's budget proposes to build on that program because it is so essential. I can point to communities in California where they can't open the tap anymore because water will either not flow or it is too dangerous to drink. And so it is the same whether it is at Flint or at some town in California or throughout the country. No one in America in the 21st century should not be able to open the taps and be able to drink the water. It is incredible in the richest nation in the world that we are talking about this. That is why the President has decided we are going to invest in this and we are with you.

So I hope that you continue to champion this because it is just the right thing to do. We should be able to take for granted that we are going to have safe drinking water for our kids.

Mr. KILDEE. Well, thank you so much, Mr. Secretary. Appreciate those answers as we appreciate your presence here and your great work.

And I yield back, Mr. Chairman.

Chairman YARMUTH. The gentleman's time is expired.

I now yield the gentleman from Texas, Dr. Burgess, five minutes.

Dr. BURGESS. Thank you, Mr. Chairman. Mr. Secretary, thank you for being here today. Thanks for being in person. We love virtual hearings, but this is much better.

So ARPA-H, have you given any thought to where that is going to be located?

Secretary BECERRA. Yes, sir. We made the decision under the omnibus bill. We were given some direction on this. ARPA-H will be a very autonomous agency, it will have a director that reports directly to the Secretary, in this case me. It will be able to use the assets under the auspices of the NIH. It will likely be housed—because it will be a smaller, a much smaller entity—it will likely be housed in a separate facility because we want it to be nimble. And it will work under different direction because it will not be constrained by some of the requirements that we see in law for government employees.

Dr. BURGESS. So a suggestion for you. I would locate it in the state of Texas if you want it to be nimble.

Let me ask you a question. You know, Title 42, we are all hearing about it. The Administration says public health, part of Title 42 expires May 23. The numbers of people who are likely to enter the state of Texas is already high and it is likely to be staggeringly high. So are you making any provisions in your budget for preparing people in communities that are going to be the recipients of very large numbers of people who are likely to not speak the language, who may be low skilled, going to put strains our education systems, going to put strains on our law enforcement, on our hospitals? How are we preparing the communities to withstand that? Since we are not going to protect the border obviously.

Secretary BECERRA. Congressman, first, thank you for the question.

There is an inter-agency process under way so we can all make sure that we are following through on our obligations. On HHS's end we are trying to be supportive when it comes to some of the healthcare issues that might be encountered. We also have responsibility, as I mentioned earlier in some questions, for any of the migrants who might come across as minors.

Dr. BURGESS. So let me—you know, I am well aware of that. I have multiple visits to all our facilities since 2014.

Title 42 enacted March 20 of 2020, the death rate from Coronavirus at that point was probably, what, 10,000, if that. Is there a public health emergency posed by the rampant importation of fentanyl across our Southern Border? What is the No. 1 cause of death for people 18 to 48 right now?

Secretary BECERRA. What I can tell you is that there is clearly a crisis going on when it comes to drug overdose and drug use. That is why we did change the strategy we have for—with regard to drug overdose.

I will tell you as well that the Title 42 provisions that you mention deal with public health in a particular way. It deals mostly in terms of quarantine. It is different from the public health emergency declaration that is based on different law. But in both cases they are premised on the health of the country and the health of the particular communities. They are not based on immigration standards.

Dr. BURGESS. Yes. But here is the problem, the danger to the American people is substantial. And the numbers are going to be staggering. Customs and Border Protection, DHS personnel on the border will be distracted by the large numbers of people that are just simply flooding across the border, leaving open the possibility for the vast importation of drugs, predominantly fentanyl, which is so terribly deadly. And we almost can't keep up with it. It is a true public health emergency. If there were a time to enact or to keep Title 42, it would be because of this fentanyl crisis. And I hope you will look into that.

Let me ask you another question. Big bump in NIH funding. Of course, as somebody who spent his life in healthcare, it is a good thing. But I am really worried about the development, or the possible development of a virus in the Wuhan Institute of Virology. Even Jon Stewart has acknowledged that. Are we continuing to fund things like gain-of-function research in adversarial countries?

Secretary BECERRA. Congressman, I think this question has been answered before. The NIH does not fund gain-of-function research in adversarial countries.

Dr. BURGESS. But yet it happened. And we need to know why it happened and it must never happen again.

Secretary BECERRA. Congressman, I don't know what you are saying the "it" is, but we neither funded gain-of-function research at Wuhan or at any adversarial country, and I don't believe the science and the facts are in yet to determine what the source of COVID has been.

Dr. BURGESS. Well, I will be happy to provide you the documents from the—Dr. Danzig and the work that was done. It has been well documented in the late press. It is not anything that is classified. I will provide that to you.

There are a number of other questions I couldn't get to. I will be submitting those in writing. I look forward to your responses.

Secretary BECERRA. Thank you.

Chairman YARMUTH. The gentleman's time has expired.

They have called votes now about six minutes, so we are going to have two more 5-minute periods. That will be Mr. Horsford and Ms. Boebert, and then we will recess through the—and there are two votes. So we ought to able to come back within 25 or 30 minutes after we recess.

I now yield five minutes to the gentleman from Nevada, Mr. Horsford.

Mr. HORSFORD. Thank you, Mr. Chairman. Good to see you, Secretary Becerra.

I want to commend the Department of Health and Human Services and our entire healthcare profession. I don't care what Administration, we need you to succeed so that we can crush this pandemic, save lives, get our economy back on track, kids back in school safely, and families together.

So, first, I am not here to, you know, come up with reasons to beat you up. I do believe there has to be accountability. And the first thing I want to speak to is the COVID–19 pandemic resources. As we learned from the past two years, the pandemic can only be addressed when we protect every single person. With an easily transmissible virus like COVID, none of us are truly safe unless ev-

eryone, especially those in our most vulnerable communities, has access to test, treatment, and an effective vaccine. Fortunately, HHS was able to do just that through the Health Resources Services Administration's, HRSA, uninsured program. Unfortunately, my Republican colleagues have demanded that any COVID–19 emergency supplemental be offset by other cuts. So now we are far too late in addressing the current shortfall in emergency funds that our country needs to continue to stem the damage from the pandemic.

Now, I sent a letter a few weeks ago regarding HRSA's uninsured program. Sadly, that same week HRSA announced that they would stop accepting new claims for testing and treatment—in the middle of a pandemic. I don't know how that helps communities, small businesses, our economy's recovery when we are cutting off the very support that is needed.

So, Secretary Becerra, would you be able to speak to just how crucial it is for Congress to pass an additional round of COVID relief funds to continue to protect Americans, our businesses, and along with the $82 billion requested in the budget for our public health infrastructure, to continue to protect Americans from COVID–19 or any future pandemic?

Secretary BECERRA. Congressman, I don't know if I can say it better than you did, and I haven't had a chance since I have been in hearing all day, but I haven't taken a look at the recent numbers for today for COVID. I get those every day, the reports and the briefings. But we are now at one of the lowest points we have been at for COVID infections, hospitalizations, and deaths. And we are also at a point of running out of the money it takes to keep that fighting going to, as you say, crush COVID–19.

This is the wrong time—I used an analogy in a committee hearing just earlier today saying that we are one the—we are within—inside the one yard line within the 2-minute warning of the football game and we need that touchdown to win. And this is not the time to cutoff the resources we need to go over the goal line. We know what we need to do, we have been doing it effectively. The economy is opening up. We are all here today, most of us, without masks. This is not the time to have us run out of the funding. And so I urge Congress to provide us with the resources we need, not just to do the provider relief funding for those who provide services to the uninsured, but to continue the therapies, the vaccines, the tests, masking we need.

Mr. HORSFORD. And I just want to underscore this, you know, when the prior Administration was in, when the prior President came to the Congress with a proposal, many Democrats, including myself, voted for that package—CARES, the family support resources that was passed. And yet now it is like under this Administration in the same middle of the pandemic, we don't have one Republican on the other side who is willing to support the American Rescue Plan or the funding that is needed to crush this virus.

I would like to finish my time talking about Title X. For too long Title X has been woefully underfunded. There is no reason why someone's income level or their zip code they were born in should prohibit them from being able to access affordable, high quality, community-oriented family planning or sexual health services.

So my question, Secretary, is could you explain some of the adverse consequences of patients foregoing important care because of a lack of adequate funding for Title X, especially in rural areas?

Secretary BECERRA. Congressman, I think we all know that there are too many families in America, and COVID pointed this out even more, that don't have access to the care they need. They fall through the holes, the gaps in the system, especially in our rural and inner cities poor communities.

Family planning services under Title X are a lifesaving service that is made available to families which had been cutoff for too many. And our President has made a commitment to restore some of that funding and allow those providers to be in the game again.

What we are going to do is make sure that if you are seeking family planning services, you can get it from any organization that is qualified and professionally prepared to provide you those family planning services so we can provide those needs to rural, urban, and suburban families throughout this country.

Chairman YARMUTH. The gentleman's time has expired.

I now recognize the gentlewoman from Colorado, Ms. Boebert, for five minutes, and after which we will recess.

Ms. BOEBERT. Thank you, Mr. Chairman, and thank you, Secretary Becerra. Thank you for being here today. I appreciate you coming before the committee.

To start off, as the Secretary of Health and Human Services, can you define for this Committee what is a man?

Secretary BECERRA. You are looking at one.

Ms. BOEBERT. Great. So you are a man. I like that. Can you tell me can men get pregnant?

Secretary BECERRA. Unless you know something I don't, I think the answer is pretty obvious.

Ms. BOEBERT. What is that answer, sir?

Secretary BECERRA. I am asking you, is there something you know that I don't know that would say that a man could——

Ms. BOEBERT. Well, I am asking what you know. Can men get pregnant?

Secretary BECERRA. I am not aware of it.

Ms. BOEBERT. OK. Well, Mr. Secretary, materials coming from your department, you have referred to mothers as birthing persons, replacing that title with.

Secretary BECERRA. Are mothers not persons?

Ms. BOEBERT. Mothers are persons, but it seems to be more inclusive, like you are trying to include another gender in that.

Secretary BECERRA. I am all about inclusion, Congresswoman.

Ms. BOEBERT. There you go.

So, well, you know, just as a mother of four boys, I am not necessarily offended at that. I am a person. But it is just unscientific and absurd——

Secretary BECERRA. How so?

Ms. BOEBERT. To include men in that. If you are going to be inclusive——

Secretary BECERRA. A person?

Ms. BOEBERT. If you are going to be inclusive in birthing persons, yes.

Secretary BECERRA. Well, but it seems to me like you are trying to define——

Ms. BOEBERT. Let us back up.

Secretary BECERRA. the

Ms. BOEBERT. Reclaiming my time. Can men get pregnant? Then we don't need to include them in it. Mothers are mothers.

Moving forward. Mr. Secretary, I want to read for you from a document from your office, the Office of Population Affairs. It says in here, and I quote, "Gender affirming care encompasses many facets of healthcare needs and support. It has been shown to increase positive outcomes for transgender and non binary children." Mr. Secretary, what is a transgender child?

Secretary BECERRA. A child in America is a child in America. And I hope you and I can love that child just as much as we do our own child.

Ms. BOEBERT. Can you define what a transgender child is?

Secretary BECERRA. That is a child in America and it is an American citizen child who needs the services and love just the way any other child does.

Ms. BOEBERT. Mr. Secretary, do you believe that a child is capable of making life altering decisions to maim themselves?

Secretary BECERRA. So let me just say to you that I don't agree with your premise, but what I will say to you is children know much about themselves and with the help of their——

Ms. BOEBERT. Do you believe that children are capable of making the decision to self mutilate?

Secretary BECERRA. Again, I don't necessarily accept the premise of your question.

Ms. BOEBERT. Well, Mr. Secretary, I mean you have gender affirming care for young people. So this is something that you have looked over——

Secretary BECERRA. I don't equate gender affirming care to mutilation. So if that is where you are going, then you are not going to get the answer you want.

Ms. BOEBERT. So, Mr. Secretary, here, can you tell me if there have been mastectomies, penectomies, or hysterectomies on children?

Secretary BECERRA. I mean, I——

Ms. BOEBERT. And have taxpayers funded that?

Secretary BECERRA. So I could probably use the help of my wife, who is an OB/GYN, who could talk more, or maybe Dr. Burgess could help us out here.

Ms. BOEBERT. For gender affirming care. To be included in that.

Secretary BECERRA. I am sorry, pose the question one more time please?

Ms. BOEBERT. In this gender affirming care, Mr. Secretary, have there been tax dollars put forward to fund mastectomies, penectomies, and hysterectomies for sex reassignment purposes for minors with gender dysphoria.

Secretary BECERRA. So Americans are entitled to receive healthcare services. If they are entitled to receive any of the services that you just mentioned, then it would be against the law for us to try to deny them that care.

Ms. BOEBERT. So for the record, you favor HHS's funding being able to—for sex reassignment? For surgeries on minors?

Secretary BECERRA. I will do everything I can to defend any American, including children, whether or not they fit the categories you have mentioned or not, and if they talk about gender affirming care, I am there to protect the rights of any American.

Ms. BOEBERT. Mr. Secretary, I want to turn to a different document. Your office released this "Gender Affirming Care is Trauma Informed Care". In this document you clearly state that gender affirming care included puberty blockers, hormones, and surgeries for minor children. You go on to assure parents that there is no scientifically sound reason to doubt hormones and surgeries are helpful to minor children. You also discuss this in a document that the potential for removing children from their parents is on the table if they are not providing gender affirming care.

Mr. Secretary, do you think that parents who believe in two genders only should have their children removed from them?

Chairman YARMUTH. Mr. Secretary, you can answer or respond in writing. Her time is expired.

Secretary BECERRA. I can respond very quickly.

Chairman YARMUTH. OK.

Secretary BECERRA. Congresswoman, I believe in supporting and protecting transgender youth. I believe that they along with their parents and their caregivers will make the best decisions. And I would really urge that politicians like you stay out of their business.

Ms. BOEBERT. I would urge that children get to stay with their parents, no matter what parents they——

Chairman YARMUTH. The gentlewoman's time is expired.

The committee will——

Ms. BOEBERT. Mr. Chairman, may I please have unanimous consent——

Chairman YARMUTH. No you can't. No, you may not.

Ms. BOEBERT [continuing]. to——

Chairman YARMUTH. We are in a very tight timeframe and there are votes being called.

Ms. BOEBERT [continuing]. enter this into the congressional record?

Chairman YARMUTH. You may—oh, yes, you——

Ms. BOEBERT. Thank you, sir.

Chairman YARMUTH. Without objection, you may do that.

[Letter and documents submitted for the record follows:]

DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

National Institutes of Health
Bethesda, Maryland 20892

October 20, 2021

The Honorable James Comer
Ranking Member, Committee on Oversight and Reform
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative Comer:

Thank you for your continued interest in the work of the National Institutes of Health (NIH). I am writing today to provide additional information and documents regarding NIH's grant to EcoHealth Alliance, Inc.

It is important to state at the outset that published genomic data demonstrate that the bat coronaviruses studied under the NIH grant to EcoHealth Alliance, Inc. and subaward to the Wuhan Institute of Virology (WIV) are not and could not have become SARS-CoV-2. Both the progress report and the analysis attached here again confirm that conclusion, as the sequences of the viruses are genetically very distant.

The fifth and final progress report for Grant R01AI110964, awarded to EcoHealth Alliance, Inc. is attached with redactions only for personally identifiable information. This progress report was submitted to NIH in August 2021 in response to NIH's compliance enforcement efforts. It includes data from a research project conducted during the 2018-19 grant period using bat coronavirus genome sequences already existing in nature.

The limited experiment described in the final progress report provided by EcoHealth Alliance was testing if spike proteins from naturally occurring bat coronaviruses circulating in China were capable of binding to the human ACE2 receptor in a mouse model. All other aspects of the mice, including the immune system, remained unchanged. In this limited experiment, laboratory mice infected with the SHC014 WIV1 bat coronavirus became sicker than those infected with the WIV1 bat coronavirus. As sometimes occurs in science, this was an unexpected result of the research, as opposed to something that the researchers set out to do. Regardless, the viruses being studied under this grant were genetically very distant from SARS-CoV-2.

The research plan was reviewed by NIH in advance of funding, and NIH determined that it did not to fit the definition of research involving enhanced pathogens of pandemic potential (ePPP) because these bat coronaviruses had not been shown to infect humans. As such, the research was not subject to departmental review under the HHS P3CO Framework. However, out of an abundance of caution and as an additional layer of oversight, language was included in the terms and conditions of the grant award to EcoHealth that outlined criteria for a secondary review, such as a requirement that the grantee report immediately a one log increase in growth. These

measures would prompt a secondary review to determine whether the research aims should be re-evaluated or new biosafety measures should be enacted.

EcoHealth failed to report this finding right away, as was required by the terms of the grant. EcoHealth is being notified that they have five days from today to submit to NIH any and all unpublished data from the experiments and work conducted under this award. Additional compliance efforts continue.

The second document is a genetic analysis demonstrating that the naturally occurring bat coronaviruses used in experiments under the NIH grant from 2014-2018 are decades removed from SARS-CoV-2 evolutionarily. The analysis compares the sequence relationships between:

- SARS-CoV-1, the cause of the SARS outbreak in 2003;
- SARS-CoV-2, the cause of COVID-19 pandemic;
- WIV-1, a naturally occurring bat coronavirus used in experiments funded by the NIH;
- RaTG13, one of the closest bat coronavirus relatives to SARS-CoV-2 collected by the Wuhan Institute of Virology; and
- BANAL-52, one of several bat coronaviruses recently identified from bats living in caves in Laos.

While it might appear that the similarity of RaTG13 and BANAL-52 bat coronaviruses to SARS-CoV-2 is close because it overlaps by 96-97%, experts agree that even these viruses are far too divergent to have been the progenitor of SARS-CoV-2. For comparison, today's human genome is 96% similar to our closest ancestor, the chimpanzee. Humans and chimpanzees are thought to have diverged approximately 6 million years ago.

The analysis attached confirms that the bat coronaviruses studied under the EcoHealth Alliance grant could not have been the source of SARS-CoV-2 and the COVID-19 pandemic.

If you or your staff have questions, NIH would be pleased to brief you on these documents.

Lawrence A. Tabak, D.D.S., Ph.D.
Principal Deputy Director

OASH | Office of Population Affairs

Gender-Affirming Care and Young People

What is gender-affirming care?

Gender-affirming care is a supportive form of healthcare. It consists of an array of services that may include medical, surgical, mental health, and non-medical services for transgender and nonbinary people.

For transgender and nonbinary children and adolescents, early gender-affirming care is crucial to overall health and well-being as it allows the child or adolescent to focus on social transitions and can increase their confidence while navigating the healthcare system.

Why does it matter?

Research demonstrates that gender-affirming care improves the mental health and overall well-being of gender diverse children and adolescents.[1] Because gender-affirming care encompasses many facets of healthcare needs and support, it has been shown to increase positive outcomes for transgender and nonbinary children and adolescents. Gender-affirming care is patient-centered and treats individuals holistically, aligning their outward, physical traits with their gender identity.

Gender diverse adolescents, in particular, face significant health disparities compared to their cisgender peers. Transgender and gender nonbinary adolescents are at increased risk for mental health issues, substance use, and suicide.[2,3] The Trevor Project's 2021 *National Survey on LGBTQ Youth Mental Health* found that 52 percent of LGBTQ youth seriously considered attempting suicide in the past year.[4]

A safe and affirming healthcare environment is critical in fostering better outcomes for transgender, nonbinary, and other gender expansive children and adolescents. Medical and psychosocial gender affirming healthcare practices have been demonstrated to yield lower rates of adverse mental health outcomes, build self-esteem, and improve overall quality of life for transgender and gender diverse youth.[5,6] Familial and peer support is also crucial in fostering similarly positive outcomes for these populations. Presence of affirming support networks is critical for facilitating and arranging gender affirming care for children and adolescents. Lack of such support can result in rejection, depression and suicide, homelessness, and other negative outcomes.[7,8,9]

Common Terms:
(in alphabetical order)

Cisgender: Describes a person whose gender identity aligns with their sex assigned at birth.

Gender diverse or expansive: An umbrella term for a person with a gender identity and/or expression broader than the male or female binary. Gender minority is also used interchangeably with this term.

Gender dysphoria: Clinically significant distress that a person may feel when sex or gender assigned at birth is not the same as their identity.

Gender identity: One's internal sense of self as man, woman, both or neither.

Nonbinary: Describes a person who does not identify with the man or woman gender binary.

Transgender: Describes a person whose gender identity and or expression is different from their sex assigned at birth, and societal and cultural expectations around sex.

Additional Information

- Endocrine Treatment of Gender-Dysphoric/Gender-Incongruent Persons: An Endocrine Society Clinical Practice Guideline
- Ensuring Comprehensive Care and Support for Transgender and Gender-Diverse Children and Adolescents | American Academy of Pediatrics
- Standards of Care (SOC) for the Health of Transsexual, Transgender, and Gender Nonconforming People | World Professional Association for Transgender Health

HHS Office of Population Affairs
Web: opa.hhs.gov | Email: opa@hhs.gov
Twitter: @HHSPopAffairs | YouTube: HHSOfficeofPopulationAffairs

Gender-Affirming Care and Young People

Affirming Care	What is it?	When is it used?	Reversible or not
Social Affirmation	Adopting gender-affirming hairstyles, clothing, name, gender pronouns, and restrooms and other facilities	At any age or stage	Reversible
Puberty Blockers	Using certain types of hormones to pause pubertal development	During puberty	Reversible
Hormone Therapy	Testosterone hormones for those who were assigned female at birth Estrogen hormones for those who were assigned male at birth	Early adolescence onward	Partially reversible
Gender-Affirming Surgeries	"Top" surgery – to create male-typical chest shape or enhance breasts "Bottom" surgery – surgery on genitals or reproductive organs Facial feminization or other procedures	Typically used in adulthood or case-by-case in adolescence	Not reversible

Resources

- Discrimination on the Basis of Sex | HHS Office of Civil Rights
- Lesbian, Gay, Bisexual, and Transgender Health | Healthy People 2030
- Lesbian, Gay, Bisexual, and Transgender Health: Health Services | Centers for Disease Control and Prevention
- National Institutes of Health Sexual & Gender Minority Research Office
- Family Support: Resources for Families of Transgender & Gender Diverse Children | Movement Advancement Project
- Five Things to Know About Gender-Affirming Health Care | ACLU
- Gender-Affirming Care is Trauma-Informed Care | The National Child Traumatic Stress Network
- Gender-Affirming Care Saves Lives | Columbia University
- Gender Identity | The Trevor Project
- Genderspectrum.org
- Glossary of Terms | Human Rights Campaign
- Health Care for Transgender and Gender Diverse Individuals | ACOG
- Transgender and Gender Diverse Children and Adolescents | Endocrine Society

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[1] Green, A. E., DeChants, J. P., Price, M. N., & Davis, C. K. (2021). Association of Gender-Affirming Hormone Therapy With Depression, Thoughts of Suicide, and Attempted Suicide Among Transgender and Nonbinary Youth. *Journal of Adolescent Health*, 70(4). https://doi.org/https://doi.org/10.1016/j.jadohealth.2021.10.036

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[3] Price-Feeney, M., Green, A. E., & Dorison, S. (2020). Understanding the mental health of transgender and nonbinary youth. *Journal of Adolescent Health*, 66(6), 684–690. https://doi.org/10.1016/j.jadohealth.2019.11.314

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NCTSN The National Child Traumatic Stress Network

Gender-Affirming Care Is Trauma-Informed Care

Major medical associations recognize gender-affirming care as the standard of care for transgender, gender diverse, and intersex (TGI) youth. Gender-affirming care broadly refers to creating an environment that facilitates youth to move through the world safely as the gender they know themselves to be. This includes developmentally appropriate, evidence-based care provided by medical and mental health experts in partnership with youth, parents, and caregivers. It may include evidence-based interventions such as puberty blockers and gender-affirming hormones. Gender-affirming care also includes access to opportunities that all children should have, such as playing team sports, safely using bathrooms in their schools and other public places, and positive relationships with supportive adults.

Providing gender-affirming care is neither child maltreatment nor malpractice. The child welfare system in the US, charged with "improv(ing) the overall health and well-being of our nation's children and families,"[1] should not be used to deny care or separate families working to make the best decisions for their children's well-being. There is no scientifically sound research showing negative impacts from providing gender-affirming care. The decision for the child welfare system to become involved in the lives of families, potentially to the extent of removing children from their families and homes, should be wielded with the utmost care, grounded in evidence, and always prioritizing the well-being of children and preservation of families.

It has been well-documented that TGI youth experience trauma, discrimination, and health disparities at higher rates than their cisgender peers, including disproportionate rates of negative behavioral health outcomes and higher rates of attempted suicide.[2,3] Trauma exposure for TGI youth also includes the trauma of experiencing oppression when their identities are rejected by individuals in their lives, in their communities, or in the broader public. Alternatively, affirmation from families has been shown to be a protective factor against attempted suicide, depression, substance misuse, and other negative health outcomes.[4] Consistently using youth's chosen names and pronouns reduces suicidality and depression.[5] Gender-affirming medical care, particularly puberty blockers and gender-affirming hormones, reduces rates of depression, suicidal ideation, and other serious behavioral health outcomes.[6]

TGI youth can thrive when they are supported and affirmed in their identities and their identity development, when they have open and affirming school environments where they can talk about their experiences, and when their families are resourced to make the best evidence-based care decisions in collaboration with their providers. We have the tools to increase TGI youth's current social, emotional, and physical well-being and to support them to imagine and experience a future in which they can thrive and live full, happy lives. You can help keep TGI youth safe by expressing your support and acceptance and finding ways to partner with others to create affirming and supportive environments. Here are some practical suggestions for what you can do:

- **Take responsibility for your own knowledge and understanding of gender diversity** by staying up-to-date on evidence-based research and best practice, attending trainings, and reading work by transgender and gender diverse writers to understand more about the language and experiences of TGI youth. This will enable you to better establish safety, build trust, and provide better quality care. Recognize that despite what you've learned, you may not always be sure what something means, especially related to an individual's identities or experiences. It is okay to ask in a respectful and genuine manner.

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- **Believe and validate youth when they share their gender identities with you** by always using and validating the names, pronouns, and identities that youth share with you, even if those change while they are exploring their identities. Many children are aware of their own gender identity as early as 3-5 years old,[7,8] although it is also common for children to explore gender identity at later ages. Cisgender children are trusted to know and understand their gender, and social norms and customs validate their identities regularly. TGI youth deserve the same trust and validation. As parents, caregivers, and providers, you are responsible to communicate this validation by actively affirming their identities.

- **Avoid assumptions and misinformation by familiarizing yourself with how medical experts define the standard of care for transgender youth and what these treatments entail.** Seek reliable sources such as the World Professional Association for Transgender Health, American Academy for Child and Adolescent Psychiatry, and the American Academy of Pediatrics. Be prepared to share information, resources, and research with families as they decide how to achieve their care goals.

- **Proactively seek out and build relationships with local service providers who specialize in care for TGI youth in order to create a supportive network and provide reliable referrals to TGI youth and their families.** These services are not accessible in every community, and virtual/telehealth connections may be necessary to create a supportive network. Identify the nearest places to you where youth and their families can access this care, including resources to help address added travel burdens or reliable internet access limitations.

- **Prioritize using resources created by transgender and gender diverse experts** by identifying and connecting with transgender and gender diverse providers and organizations- nationally and in your community as partners and trainers. Make sure to compensate these experts for their resources equitably.

- **Recognize your responsibility to actively ensure that your space accepts and affirms TGI youth, both as an organization and an individual provider.** This includes reviewing your practices, policies, and paperwork for bias, ensuring all staff are trained, and being proactive and consistent when communicating with youth and families about trust, confidentiality, and clients' rights.

- **Stay up-to-date with national and local policies and protections related to gender-affirming care to ensure youth and their families understand their rights.** Be aware of how public discourse and changing legislation may create or exacerbate confusion and mistrust about healthcare services, systems, and providers. Communicate with TGI youth and families about their rights and risks in their communities and the resources available to them.

- **Be mindful that young people are aware of the national conversations about access to gender-affirming care and the rights of LGBTQ+ youth**, and acknowledge that any feelings or fears that arise from witnessing prejudice towards LGBTQ+ youth are valid. Be prepared to offer a space for them to process, ask questions, and plan for their safety.

- **Create space for youth to explore the fullness of their gender and other cultural identities without fear of judgment or harm.** Recognize how intersecting marginalized identities—including race, ethnicity, religion, ability, socioeconomic status, and mental health status—can reduce access and amplify the impact of rejection and fear of consequences for accessing gender-affirming care.

- **Assist youth, parents, and caregivers with family safety planning by helping them create a "safe folder."** This folder can include letters from providers (e.g., medical, mental health) and community members (e.g., neighbors, spiritual leaders, school representatives) communicating that parents/caregivers are not harming their child and that the child is benefitting from their care. Parents and caregivers can use this folder should they need to justify the affirming and supportive care they are providing for their child.

- **Communicate to TGI youth and families that many people are working hard to support them and make sure they have access to the care they need and deserve.** TGI youth need to know they are not alone and that there are supportive adults who care about them and are working hard to make sure their needs can be met.

- **Support and empower young people and their families to take action** by encouraging them to connect with culturally affirming peer communities for mutual support and to take part in local or national advocacy efforts. Advocacy, especially in community, can be a core aspect of healing from collective and oppression-based trauma.

- **Educate your community partners (e.g., child welfare, schools), policymakers, and the general public by sharing resources and information about gender-affirming care and offering or hosting trainings.** Research and share information about the positive, protective impacts of gender-affirming care for children and families. Share the benefits and savings to our healthcare and child welfare systems when we prevent negative health outcomes and preserve families.[9] Provide resources created by transgender and gender diverse experts, and offer opportunities to amplify their work by inviting them as trainers or speakers. As always, equitably compensate transgender and gender-diverse experts for their work.

- **Keep working to recognize and shift your own biases and assumptions** by continually asking yourself questions about the power and privilege you have based on your own gender identity, sexual orientation, race, provider status, and other aspects of your intersectional identities. Support and challenge your colleagues and collaborative partners to do the same, and build spaces to explore layers of seen and unseen privilege and oppression.

- **Be aware of the impact on you or your colleagues who are providing gender-affirming care and who themselves or whose loved ones hold transgender and gender diverse identities.** Acknowledge and honor the weight of witnessing and bearing the pain and anxiety experienced by the children and families served as well as the personal impact.

Relevant NCTSN resources include:

- Affirming Care for Transgender and Gender Expansive Youth (webinar)
- Identifying the Intersection of Trauma and Sexual Orientation and Gender Identity:
  - Part 1: Key Considerations
  - Part 2: The Screener
  - Webinar
- Engaging Families in Affirming Trauma-Informed Care for LGBTQ Children and Youth (webinar)

- Safe Places, Safe Spaces: Creating Welcoming and Inclusive Environments for Traumatized LGBTQ Youth
  - Resource Guide
  - Video
  - Webinar
- Assisting Parents/Caregivers in Coping with Collective Traumas
- Other NCTSN resources to support LGBTQ+ youth and provide affirming care can be accessed: https://www.nctsn.org/what-is-child-trauma/populations-at-risk/lgbtq-youth

Additional Partner Resources

- Statement by HHS Secretary Xavier Becerra Reaffirming HHS Support and Protection for LGBTQI+ Children and Youth
- American Academy of Child & Adolescent Psychiatry: Clinical Guidelines & Training for Providers, Professionals, and Trainees
- Trans Lifeline
- National SOGIE Center
- Family Acceptance Project
- A Practitioner's Resource Guide: Helping Families to Support Their LGBT Children
- Gender Spectrum Education and Training
- Trans Student Educational Resources
- American Academy of Child & Adolescent Psychiatry Gender and Sexuality Resources
- Human Rights Campaign: All Children-All Families
- The Trevor Project

It is critically important that TGI youth know many adults are working hard to ensure their safety and access to gender-affirming care. In order to have hope for the future and to foster resilience, TGI youth need to experience an equally high level of support, empowerment, and affirmation in response to the disparaging and discriminatory public scrutiny they encounter in their communities and more widely in the public. Actively vocal and affirming adults can make a big difference to build a sense of safety and belonging, creating communities where TGI youth can thrive.

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End Notes

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All right. The Committee will be in recess. Please hurry back after the second vote.

[Recess]

Mr. SCOTT. Thank you, Mr. Chairman, and thank you, Mr. Secretary for being with us today.

We have heard a lot about inflation, and it is a global problem. There is nothing we have done in America that created inflation, and Germany, France, Great Britain, but it is something we have to deal with. It is my understanding that your Administration has helped people. Last year a typical family of four got four $1,600 checks, over $5,000—$1,400 checks, over $5,000 in stimulus checks. Two children would be over $6,000 in child tax credits. What we usually hear is a $3,500 increase in costs. Well, that is over $10,000 that your Administration has helped to pay those additional costs, in addition to the earned income tax credits, SNAP benefits, better ACA premiums, extra unemployment compensation, and others. So you are actually helping people do something about inflation.

You are also addressing the root causes, supply. Getting things to market will help and you have made investments in ports, roads, bridges, airports, and rail, getting things to market. If you can't get them to market, you will have less supply that businesses will jack up the prices. You are getting more people to work with investments in childcare, you are more efficient with job training and higher education. So you are actually doing something about it. Others are just sitting on the sidelines complaining, like it is going to help them get elected. And generating headlines like the one in the New York Times the other day. It said Republicans wrongfully accuse Biden for higher gas prices. But you are actually doing something—you have already done something about it.

Are you doing anything about it going forward to help people with inflation, like helping with drug prices, better jobs, childcare, college prices? Are you continuing to work to help the average family deal with inflation?

Secretary BECERRA. Congressman, thank you for the question. And I won't do as good a job as the President can in talking about the things that have happened in his first year in office, but to have created more jobs in one year than any President in his first year in office in history is a remarkable achievement in the face of a pandemic. When you take a look at the fact that we reduced child poverty in ways never seen before in our lifetime because of the work that you all did in passing the American Rescue Plan, the fact that there are more Americans insured for healthcare today than ever before, and many of them Affordable Care Act, is a testament to the work that the President is doing. We are reducing the cost of that health insurance policy for Americans, we are going to try to do everything we can to make sure that on Medicare we continue to reduce the cost that seniors pay for prescription drugs. I could go on. And the fact that today Americans are going back to work and we are able to return mostly to normal, and if we continue to be cautious we should be able to defeat COVID if you all give us the resources to do this.

Those are all pointing in the right direction.

Mr. SCOTT. Thank you. And you are doing it in a fiscally responsible way. You know, of course, that every Democratic administration since Kennedy has left office with a better deficit situation than they inherited, without exception. And every Republican administration has left office with a worse deficit situation than they inherited, without exception. And President Trump was well on his way to fulfilling that trend before the pandemic.

A few days ago the OMB Director told us that we can expect the Biden Administration, with your budget, to improve the deficit. So within that fiscally responsible budget, can you say what you have got in the budget for Head Start and early Head Start?

Secretary BECERRA. We are increasing the resources for Head Start with Build Back Better. If you all could get it across the finish line we would do a dramatic—it would make a dramatic difference in being able to increase the number of kids and families that could qualify to have their kids go to Head Start. And, as you and I know having kids, giving them the opportunity to learn before they start kindergarten sets them on a path to real growth and opportunity when they go onto college.

Mr. SCOTT. Childcare is so important. What do you have in the budget to improve access to childcare?

Secretary BECERRA. Well, on top of the several billion dollars that the American Rescue Plan made available to help so many families that were urgently in need of help when COVID was really hitting us hard, we are proposing, and we hope through the Build Back Better agenda that we would be able to not only increase the number of families that would receive childcare service, that they wouldn't have to pay more than 7 percent of their income for those childcare services. And we hope we would also be able to then push to make sure that the work force within the childcare services sector would be able to see an increase in their salary and with it an increase in their training and education.

Mr. SCOTT. Thank you, Mr. Chairman.

Chairman YARMUTH. The gentleman's time has expired.

I now recognize the gentleman from Ohio, Mr. Carey, for five minutes.

Mr. CAREY. Thank you, Mr. Chairman. Thank you, Secretary.

Secretary BECERRA. Of course.

Mr. CAREY. Given the mounting evidence about the origins of COVID–19 and that the People's Republic of China has been clearly involved in covering up, or at the very least brazenly withholding information about the pandemic's beginning, does the President's budget provide for or allow for funding particularly NIH grant funding for viral research for the People's Republic of China?

Secretary BECERRA. The President's budget includes no dollars for China to do viral research. Has not and will not.

Mr. CAREY. So you can guarantee that any HHS funding requested in the Fiscal Year 1923 budget will not go either directly or indirectly to the People's Republic of China?

Secretary BECERRA. I can guarantee you that the federal government—this Administration and HHS, whether it is NIH or any other agency that might have granting authority, is not looking to give any money to the People's Republic of China.

Mr. CAREY. Thank you.

Your budget also proposes more than $75 million for health equity programs and climate research, among other things, while reducing funding for the rural hospital grants in my district and children's hospital graduate medical education. How does HHS justify prioritizing the progressive wish list of Biden over investment in rural health and children's hospitals?

Secretary BECERRA. Congressman, I would love you to show me the numbers, because what I know contrary to what you have just said, we are actually making more investments in rural America when it comes to healthcare. We are actually increasing the number of health professionals that we will be able to locate in rural facilities throughout the country. And so I would be interested in seeing where you are getting this information because it is, as far as I know, misinformation.

Mr. CAREY. I would be happy to have your staff work with my staff to get that information.

Secretary BECERRA. I look forward to that.

Mr. CAREY. Last, I think there is a couple of other things I would like to mention. The budget also mentions support for rural hospitals, as you have indicated, and yet doesn't provide any substantial funding for rural health—is my numbers. So we will work with you on that.

Secretary BECERRA. Please.

Mr. CAREY. In fact, only $43 million above Fiscal Year 1922, and in fact decreases the funding for the Rural Hospital Flexibility grants by $5 million. By contrast, the same sub-agency, Health Resources and Service Administration, dedicates $5 million in new funding for grants to address and implement bias on healthcare providers, $1 million in new funding to the National Academy of Medicine to study biases, recognition, and clinical skill testing in certain medical schools, $20 million in new funding for diversity work force, $25 million in new funding to diversity of the nurse work force, and $10 million to support curricula developed in minority serving institutions.

How does HHS justify prioritizing millions more in radical bias training and work force diversification than investments in rural health? And you are saying it does, so I would be happy to hear your answer on that and I would be happy work—your team work with my team to get those answers.

Secretary BECERRA. First, thank you for letting me answer. Again, we don't have to necessarily agree, but I appreciate you letting me answer.

One very important clarification. As I mentioned before to someone, the budget that we presented was based on what we saw coming forward under the continuing resolution, which you know is at a different funding level, much lower than the omnibus, which was the end result for the budget. Because we had to be fiscally responsible and base our 2023 projections on what we had from 2022, and those were based on the CR, we lowered all of our projections, that is why you might see some areas of funding that seem lower. We are absolutely prepared to work with you and others to make sure that we now—now that we know what the omnibus provided us,

give you the true reflection of what we would like to invest in those areas.

But I will tell you that we are making major investments in rural American when it comes to healthcare.

On the issue of equity and diversity, we are simply trying to do what I would hope you would want us to do. If you found that the federal government were letting out grants and resources to every place but your congressional district, you probably would be interested in finding out why. Well, there are many communities in America that are being left out all the time, whether it is in research trials, where you don't find every American has a chance to participate, which skews the results of those research trials because we are only looking at a particular segment of America and hoping to apply that throughout the country. What I would say to you is—you are being gracious to let me answer—I am more than willing to work with you to show you that not only do these programs work to provide every American with opportunity, but in rural America we are making major investments.

Mr. CAREY. Thank you, Secretary.

Thank you, Chairman. I yield back.

Chairman YARMUTH. The gentleman yields back.

I now yield five minutes to the gentleman from New York, Mr. Higgins.

Mr. HIGGINS. Thank you, Mr. Chairman. And, Secretary, welcome. Great to see you again.

And so your budget, Health and Human Services, is about $1.9 trillion proposed, a 27 percent increase. Justification is, among other things, pandemic preparedness. You know, we just went through months of a very difficult time with SARS-CoV–2 because for many, many months there was no vaccine. Really the best thing that our healthcare system could do is provide people that were stuck with COVID–19 with Tylenol to reduce fever and pain. And then, you know, a pretty miraculous biomedical achievement in the Messenger RNA was established. Not a new technology, but certainly refined for this. And when medical researchers went into it, the anticipation, the hope was that they would be able to achieve 60–65 percent, maybe 70 percent efficacy. These vaccines are 85–90–95 percent effective.

The thing that concerns me is that if there was a—if we just went through SARS-CoV–2, there was a SARS-CoV–1 17 years ago, with 70 percent of the genetic similarity to that of SARS-CoV–2. Predating this Administration and going back 17 years, why weren't we better prepared in terms of pandemic preparedness given that we had experienced SARS-CoV–1 when COVID–19 hit?

Secretary BECERRA. Congressman, first, good to see you and let me try to give an answer. I am not going to pretend that I know what was going on in the mindset of HHS administration 17 years ago.

But what I will tell you is that we have been learning more and more as we go through each of these episodes. And it is unfortunate that the previous Administration decided to stand down on pandemic preparedness when they dismantled the very organization that was set up to prepare us for pandemics. They did that right before COVID hit. What I will tell you is that our scientists

and our healthcare medical professionals have learned a great deal about some of these viruses and they are—they believe that they are getting very close to having a pan SARS type of vaccine that could be effective against any future viruses that are of the COVID source.

What I will tell you is that that science relies the public and private sector working together and for the federal government to be making the investments early and up front that give our scientific community and our private sector community the confidence to know that if they too really invest big sums of money into this, they will bear fruit. And that is what we have to continue forward. That is why the President has in his proposal—budget proposal an $82 billion plan to go to what comes next after COVID.

Mr. HIGGINS. The Advance Research Projects Agency—Healthcare, includes $5 billion. The President's Moonshot Initiative, which is a very, very welcome sign. But I also see that in addition to that net new money for that program, there is a $200 million to the National Cancer Institute. And I would just ask that, you know, the Administration take a look at that and perhaps Congress can make a change of that to boost the amount of funding to the National Cancer Institute.

Because I often say that the only failure in cancer research is when you quit or you are forced to quit because of lack of funding. And we are at a point in terms of developing new therapies, particularly immunotherapy, where these are major game changes in a 50 year federal effort to cut cancer and cancer deaths, which is very important.

And, finally, the Provider Relief Fund, phase four. Applications were allowed between December and May. I have the only public hospital in my district, the Erie County Medical Center, and I just ask you to look at reviewing and expediting their phase four Provider Relief Fund allocation because, as you know, hospitals have taken a major hit during this pandemic.

So congratulations on the wonderful job that you have done and the job that your—Health and Human Services has done in the past year. Much appreciated.

Chairman YARMUTH. The gentleman's time has expired.

I now recognize the gentleman from Florida, Mr. Donalds, for five minutes.

Mr. DONALDS. Thank you, Mr. Chairman. Mr. Secretary, thanks for coming in.

Let us hop to it. Got a lot of stuff.

Back in February 2021 how many children did your department take possession of from Homeland Security because of the surge of illegal immigrants at the border under the Biden Administration?

Secretary BECERRA. Congressman, I don't have that number before me, but I can get that to you.

Mr. DONALDS. All right. So let me ask a second question. In response to what was happening at the border, back in February 2021 it was the position of your agency, your department, to go through the process of setting up tent facilities at Fort Bliss and other facilities across the country. How many facilities does HHS currently have in operation that houses illegal immigrant children in the United States?

Secretary BECERRA. So, Congressman, right now we have a number of unaccompanied migrant children who are applying for asylum and therefore have a basis under our laws to be here while they go through their process. We have a number of facilities. There are scores of facilities that are what we call licensed care facilities that are—have the license in the state where they are residing to offer care. There are scores of them throughout the country that we use. Most of the care there.

Mr. DONALDS. So I have seen some of our facilities. I have toured a couple of them unbeknownst to staff. I just kind of showed up, you know. That is the purview you kind of have as a Congressman.

Secretary BECERRA. At the licensed care or the emergency——

Mr. DONALDS. Well, these were the facilities at Fort Bliss.

Secretary BECERRA. Emergency.

Mr. DONALDS. When they were still setting up Fort Bliss I walked on the base and saw some of the facilities.

Secretary BECERRA. Right.

Mr. DONALDS. I also saw, if you are in that section, that it appears to me that HHS was—actually has contracts with various hotels throughout the United States that would house young migrant children in hotel facilities where it seems like HHS would contract for the hotels and they would cover up the marquee and we were housing young children. Do you happen to know how many hotels that HHS currently has under contract holding migrant children?

Secretary BECERRA. There are no hotels under contract.

Mr. DONALDS. Not anymore?

Secretary BECERRA. There are no kids under—in hotels.

Mr. DONALDS. You sure about that?

Secretary BECERRA. Unless you know something I don't.

Mr. DONALDS. I mean I have seen the facilities. Are you sure?

Secretary BECERRA. Name me a hotel.

Mr. DONALDS. Well, the marquee is covered up, sir. Under contract for HHS.

Secretary BECERRA. We are more than willing——

Mr. DONALDS. Let us move on. In the facilities that you have where you hold children, how many nurses has HHS contracted with to actually provide healthcare to children who are being housed by HHS and how many of these nurses have been relocated from hospitals throughout the pandemic where they could have worked in our hospitals with respect to COVID–19, but they were actually being contract with by HHS?

Secretary BECERRA. OK, Congressman, you are convoluting different things into one——

Mr. DONALDS. That is not a convolution.

Secretary BECERRA. Yes you are.

Mr. DONALDS. If you contract with nurses, and I have hospitals in my district that can't find nurses because they are losing contracted nurses to Texas or Arizona, that is not a conflict. There is a pool of people who have an ability to work. So how many nurses have been contracted with by HHS?

Secretary BECERRA. So, Congressman, again, you have to distinguish between the licensed care facilities and the emergency intake sites that we operate.

Mr. DONALDS. In the emergency intake sites, how many nurses has HHS contracted?

Secretary BECERRA. I can try to get you any numbers we have, but they are—because they are emergency intake sites—and this is important—we don't provide the same level of services that you get in a licensed care facility. By being a licensed care facility, they have some of those licensed professionals there providing services.

Mr. DONALDS. How many licensed care facilities does HHS currently have dealing with the illegal immigrant issue caused by the Biden Administration?

Secretary BECERRA. I want to make sure I don't misspeak, but it could be—it is at least dozens if not hundreds.

Mr. DONALDS. OK, question. How many teachers currently are contracted with by HHS? Because in one of the facilities there was actually education being going on and there is a contract associate with that. How many teachers are contracted?

Secretary BECERRA. Again, are you speaking licensed care facilities?

Mr. DONALDS. These are the emergency care facilities.

Secretary BECERRA. I would have to get you that number because, again, we are not obligated to provide educational services at these emergency intake sites.

Mr. DONALDS. OK. Real quick, I know we—sometimes these hearings it just seems like we are going back and forth, but that is because we have a limited amount of time and a lot to get to.

Quick question, when I was at one of the border control facilities, I believe it was down by Fort Bliss, El Paso section, there are buses and there are motor coaches that were coming and picking up children 15 at a time, 20 at a time, 30 at a time. How many buses has HHS contracted to move illegal immigrant children across the United States away from holding facilities by the Department of Homeland Security?

Secretary BECERRA. So, Congressman, I would ask you make sure that your reference is accurate. These kids have requested asylum. Whether or not they——

Mr. DONALDS. It is regardless of their asylum question, it is how much has HHS contracted with to move children across the United States.

Secretary BECERRA. But their presence here is not as you categorize it because they have requested asylum and therefore it is an unfair characterization. And they ultimately have to be——

Mr. DONALDS. Did they request asylum at the Southern Border at an illegal point of entry? Yes or No? Is the Southern Border an illegal point of entry for immigration purposes? Yes or no?

Secretary BECERRA. When you are requesting asylum, you are conveying that you are trying to escape persecution.

Mr. DONALDS. All right, real quick, 15 seconds. Last question, Mr. Secretary. Title 42 is about to be undone by the Administration. Does your budget account for a surge of new migrants, illegal immigrants, however you want to phrase it, that are going to come to the Southern Border and request asylum under the most broad interpretation of asylum in American history? Is HHS prepared in the current budget to deal with the massive increase of people that

are going to come to the United States, including illegal immigrant children?

Secretary BECERRA. We appreciate the work that Congress has done to provide us resources to try to provide the legally obligated services for these unaccompanied migrant children. We are going to do the best we can with the resources that we have.

Chairman YARMUTH. The gentleman's time has expired.

I now recognize the gentlewoman from the Virgin Island, Ms. Plaskett, for five minutes.

Ms. PLASKETT. Thank you. Thank you very much, Mr. Chairman, for holding this hearing. I want to thank you, Mr. Secretary, for your patience and for your service in the Biden Administration.

I want to personally thank you for your leadership when you were a colleague here and all of the advice and support you gave me as a new Member coming to work for the people of America. So thank you and I know that your staff are incredibly happy to work with you.

I wanted to ask you some questions that were specifically relate to Medicaid. What is the level of Federal Medicaid funding for the Territories and does the President's budget include throughout this budget window? Are you aware of what that would be?

Secretary BECERRA. I can tell you because whether that was as a colleague or now as a secretary of Health and Human Services, we do not adequately provide resources to the territories. And the President has made it one of his goals to try to change that. So working with Congress, because we do need statutory authority, we hope to be able to do that.

Ms. PLASKETT. And that statutory authority is the request that you have for Congress to do that?

Secretary BECERRA. We have requested, and we supported, eliminating Medicaid funding caps for the Territories.

Ms. PLASKETT. Thank you. That, of course, would be incredibly important. The Congress has since 2017, after the hurricanes hit—and I know Chairman Pallone as well has worked tirelessly to bring this up—in the Virgin Islands alone, just leveling the FMAP number and making it more equitable with the states based on population has allowed in the Virgin Islands to increase the amount of individuals by over 20,000. That has really been a game change for our hospitals and for others. So I thank you for that and your desire to support us.

HHS funds the welfare rules data base maintained at the Urban Institute to capture the rules regarding determining eligibility and benefits for TANF assistance. It does for 50 states and the District of Columbia, but doesn't include the Virgin Islands, Puerto Rico, and Guam. Additionally, supplemental security income is not available to the Virgin Islands, Puerto Rico, and Guam and these jurisdictions operate public assistance programs instead for the populations aided by SSI elsewhere.

Has HHS considered expanding the Welfare Rules Data base to those other territories so that eligibility and benefits rules are available for those jurisdictions, as well as the 50 states and the District of Columbia?

Secretary BECERRA. You are pointing out, Congresswoman, the long-standing disparities that exist for the Territories. And you

have my commitment to make sure we can try to work toward eliminating those. We probably need your help in changing some of the statutory provisions that make it difficult for us to get there, but we are actively committed to working with you to try to get there.

Ms. PLASKETT. Thank you.

On July 26, 2021, I sent a letter on behalf of the congressional Black Caucus, as co-led with my colleague, Congresswoman Robin Kelly, who has been tireless in this, as the Chair of CBC Health Braintrust. It was signed by 38 Members of our Caucus. The letter specifically requested that your department would work to ensure meaningful access to the potentially curative sickle cell disease therapies on day one of their approval by the FDA. Received a response from you—thank you—on November 1 of 2021. I would like to ask where the department with respect to convening a multi stakeholder dialog about identifying and providing solutions to help remove barriers that stand between sickle cell patients and those potentially curative therapies.

Secretary BECERRA. Congresswoman, we are doing more than had been done previously. But let me suggest to you—in fact, let me make the invitation right now—this is one of those areas where I have spoken to our team and we have spoken to a lot of the outside advocates on this. I think under this Administration we could move to actually help all Americans who suffer from sickle cell get past the pain that they constantly suffer. We have learned so much. And with the technology that we have today, there is no reason why we couldn't target sickle cell.

And so having done a meeting at NIH on this particular issue, I think that we are prepared to tell you that if you are interested we would like to join with you, because if we can get the resources we could really blow this one out of the water.

Ms. PLASKETT. Well, thank you for that. This has been a disease that has really just been pain managed by government as well as our researchers and we recognize now through some incredible work that this may be a disease that we can cure. It would be just phenomenally changing. I have lost a number of family members to disease and I think it is something that we can get through.

Secretary BECERRA. And what is really traumatic is that often times people come into a caregiver saying they are in such pain, but they are not believed. People don't——

Ms. PLASKETT. Yes.

Secretary BECERRA. And it is not until they find out that they have sickle cell that they realize, OK, you must be undergoing severe pain. But it is the difficulty of people presenting with pain and not being believed. That is what is really hard to believe.

Ms. PLASKETT. Thank you so much.

And I yield back.

Chairman YARMUTH. The gentlewoman's time has expired.

I now recognize the gentleman from Pennsylvania, Mr. Smucker, for five minutes.

Mr. SMUCKER. Thank you, Mr. Chairman. Good to see you, Secretary.

I have two issues that I would like to bring up. One is specific to my state, at least I am aware of it only in my state. I have been

troubled by efforts underway in the state led by Governor Wolfe through Medicaid officials at the Pennsylvania Department of Human Services. And I support the right—I have hospitals in my area and providers that some are members of—are unionized and others are not, and I certainly support the right of workers to unionize, but for the first time there would be provisions in the Medicaid program that would force collective bargaining and essentially force unionization on physicians, hospitals, nursing homes, and other health facilities, again through really unprecedented and I think unlawful contractual requirements for providers that are participating in the Medicaid Managed Care Program, which we call Health Choices. And I think the outcome would potentially be it will deny healthcare access for over 250,000 Medicaid beneficiaries across the Commonwealth or force them to travel longer distances to receive needed care.

And, as you know, CMS will have the ultimate say on whether to accept these contracts and accept them if they would with I think these burdensome politicized and unnecessary unionization requirements. And more importantly, I think CMS also will have the opportunity on the other side—other hand to protect access to care for Medicaid beneficiaries across Pennsylvania by blocking these specific contract provisions.

So I ask you to look at those when they come across.

And I have three questions for you, just yes or no. would you agree that regardless of how one feels about unionization, working families, women and children, who rely on the Medicaid program should never be used as pawns in workplace organizing advocacy and that State Medicaid officials should never attempt to hijack healthcare from poor and vulnerable beneficiaries in an effort to force a political outcome? Would you—yes or no?

Secretary BECERRA. I think you know that I am going to say that is a question that doesn't—that calls for more than just a yes or no because you planted so many little time bombs in it.

What I will tell you is that the objective of Medicaid is to expand services. And so we will do everything we can to make sure that we are increasing the number of Americans who have access to good quality healthcare.

Mr. SMUCKER. Do you feel that Medicaid Managed Care contracts are the appropriate forum for a Governor or for CMS to push partisan labor priorities?

Secretary BECERRA. I have got enough jurisdiction as it is, I am not going to take on the role of Governors and tell you what they should or shouldn't do.

Mr. SMUCKER. Well, I thank you for that, but you will be—CMS, maybe not you personally, will be approving these contracts. So——

Secretary BECERRA. But based on the issue of whether it is——

Mr. SMUCKER. Yes.

Secretary BECERRA [continuing]. increasing access to care at a better price.

Mr. SMUCKER. So maybe could I just get at least a commitment to closely examine these provisions, which, again, I think aren't lawful, that I think will deny care to Pennsylvanians?

Secretary BECERRA. Absolutely.

Mr. SMUCKER. And will you work with my office to ensure that uninterrupted seamless access to care remains available for Pennsylvania's Medicaid population?

Secretary BECERRA. You have my commitment. You have——

Mr. SMUCKER. Thank you.

Now, just briefly, looking at the clock, discussing the President's budget, you know, he includes $73 million in new spending, $16 trillion in new debt over the next 10 years and really doesn't address sort of the driver's of cost in the Medicare program, the Medicare Hospital Insurance Trust Fund Part A is projected to face insolvency by 2026, only a few short years away, at which point it will only be able to pay for 91 percent of Part A scheduled benefits, cutting $44 billion that year, is current projections. And there is no reforms in this budget to change that. Previous budgets included policies—and these were in the previous Administration—policies that would save Medicare hundreds of billions of dollars, while last year's budget, Biden's budget, called for an expansion of Medicare benefits. And I think straining the service for 63 million Americans that depend on the program.

So another year gone by, insolvency another year closer. Is your agency examining any meaningful solutions to ensure that we can continue the promise that has been made to individuals relying on Medicare?

Secretary BECERRA. Congressman, in 10 second I am going to do what I knew was going to be impossible—I am going to respond to that question very quickly.

First, I think we can all agree that if we are going to look to reform Medicare to keep it going strong forever, we should be cutting costs not benefits. And if we can all agree to that, we are going to make some progress.

Second, this budget actually does increase the strength of Medicare. Even the actuaries say that. It does that by increasing program integrity——

Mr. SMUCKER. Just one quick question. I mean don't you think we should be talking about solvency and putting forth good——

Secretary BECERRA. Absolutely.

Mr. SMUCKER [continuing]. proposals to increase the solvency rather than adding new benefits at this time?

Secretary BECERRA. Well, if you don't want to cut benefits, then we are in the ballgame to talk. But if you start talking about cutting benefits to try to move when we know there is still waste and fraud in there, then that is a non starter. But we are going to move toward value care versus volume of care and we are going to work with you closely because, as you know, and I say this having served in this chamber for 24 years, the real people who can make sure Medicare is there in the long run for our grand kids are you all, not us. Because you have the votes to change the laws.

Mr. SMUCKER. Thank you.

Secretary BECERRA. We will work with you.

Chairman YARMUTH. The gentleman's time is expired.

I now recognize the gentlewoman from Virginia, Ms. Wexton, for five minutes.

Ms. WEXTON. Thank you, Mr. Chairman.

Now, I wasn't in here earlier, Mr. Secretary, but I understand that someone on the other side of the aisle made some rather hurtful and hateful and ignorant comments about transgender kids. And I know that a lot of our friends across the aisle may think that that is good politics, but to me at the end of the day, all they are doing is bullying defenseless children. And where I come from that is not good politics.

Now, I don't understand how any adult, especially a Member of Congress, can say these things when they understand what a big problem youth suicides are in the LGBTQ community. And in case they don't know what a big problem that is, I have some statistics. Because according to the Trevor Project, 46 percent of LGBTQ youth seriously considered attempting suicide in the past year, including more than half of transgender and non—does that sound like statistics that you are familiar with Mr. Secretary?

Secretary BECERRA. That is what we are hearing.

Ms. WEXTON. OK. Thank you.

And if you don't trust the Trevor Project, how about these statistics from the American Academy of Pediatrics, more than half of transgender male teens who participated in the survey reported attempting suicide in their lifetime, while 30 percent of transgender female teens said that they attempted suicide. Among non binary youth, 42 percent of respondents stated that they had attempted suicide at some point in their lives.

Is that consistent with what you are hearing?

Secretary BECERRA. That is what we are hearing.

Ms. WEXTON. OK. So it is just really shocking to me that our colleagues across the aisle that picking on this group of kids, who are among the most vulnerable on the planet really, think that that is good politics, because to me it is not. I think that these kids need to be supported.

How about you, Mr. Secretary?

Secretary BECERRA. And if I could just add, they are children. I don't care what you call them or what they look like, they are children. I have three. I hope you will respect my three daughters as much as I will respect your children and anyone else's. It makes no difference what they call themselves or what they want to do. They have a life, we should respect it, and stay out of their business.

Ms. WEXTON. Thank you, Mr. Secretary.

And just because you all don't understand it, doesn't mean it is not real, doesn't mean it is not valid, and doesn't mean that they should be vilified. It certainly doesn't mean that. So I hope that you all do that.

And to all the transgender kids across the country, please know that you do have supporters here in Congress.

Secretary BECERRA. Amen.

Ms. WEXTON. And, Mr. Chairman, I do appreciate your indulgence because this is so horrifying to me what is happening with our friends across the aisle. I do hope that they will reconsider because this is a very—a vulnerable population and they certainly need our support, not our vilification.

Thank you, Mr. Chairman.

And, with that, I will yield back.

Chairman YARMUTH. The gentlewoman yields back.

I now recognize the gentleman from Virginia, Mr. Good, for five minutes.

Mr. GOOD. Well, I don't—thank you, Mr. Chairman—and I don't know to whom the previous comments were directed, but it will change the start of my remarks at least.

You know, it is—I think it is demonstrated that those transgender youth or those gender confused youth that when we come alongside them and encourage that confusion or reinforce that confusion or deceive their parents about that confusion, we solidify the emotional strains, the psychological strains, and the problems that happen as a result of that. Why don't we follow—why don't we follow the god created science of two genders? Why don't we help a child who is confused about their gender work through that? Study after study shows that most of them will find their way back appropriately if we just support them in the right way in that confusion instead of trying to help them to be more confused about how God created them. God makes no mistakes. And it is really a travesty that we would try to politicize children in this way and that we would have school systems come alongside and support these children in their confusion and deceive the parents about that confusion, and we would also have entertainment companies and politicians and all the rest try to do that, instead of teaching the children the truth. Instead of teaching them the truth and teaching them that God created design of two genders, which we all know to be true. We get into instead harming these children—harming these children by supporting them in this confusion in a negative way quite frankly.

Mr. Secretary, who do you think—changing gears—should be permitted to illegally enter our country?

Secretary BECERRA. Who? I am sorry.

Mr. GOOD. Who do you think should be permitted to illegally enter our country?

Secretary BECERRA. Well, you are talking about violating the law if you are saying it is illegal. Why would we permit anyone to violate the law.

Mr. GOOD. I agree with that. We are certainly doing that to the tune of 2 million last year. We are helping those illegally enter our country of 2.2 million last year. So you don't think anyone should be allowed to enter our country illegally?

Secretary BECERRA. Well, you have mischaracterized what is happening. Because we have laws and——

Mr. GOOD. It would be great if we would actually enforce and follow the laws that we have. That is correct. Do you think anyone should be turned away who tries to enter our country illegally?

Secretary BECERRA. Anyone who doesn't have the authorization to be in this country does not have the right to stay.

Mr. GOOD. If you had your way, how many illegals would you allow into our country?

Secretary BECERRA. Again, there are migrants——

Mr. GOOD. Do you think there should be some limits to that? What is the end game? How it should be or should it be at all limited?

Secretary BECERRA. May I respond?

Mr. GOOD. This budget, the President's budget, the Fiscal Year budget, the 1923 budget he has proposed includes $150 million cut for immigration and customs enforcement. Provides $4 billion however to reward Central American countries that are flooding the U.S. with illegal immigrants, however contains zero accounting for the amount of taxpayer dollars that are being spent on flights to transport illegal aliens from the border to the interior of the country, making every town a border town, every state a border state. My home community of Lynchburg, Virginia, we just had an illegal alien convicted of murder, MS13 gang member, who was put in this country illegally, making even my community in Lynchburg, Virginia a border town, a border community.

This budget also contains zero accounting for the amount of taxpayer dollars that are spent on housing for these illegal aliens on top of the already $2 billion that was diverted from the American Rescue Plan to the border for COVID–19 testing, vaccines, therapeutics, and so forth for non-Americans.

The President's plan to further reduce border funding for our agencies will require HHS to help in a greater capacity to process these illegals into the country. Not to prevent, but to help process them, facilitate them into the interior of our country. Do you think the Administration is prepared to effectively vet the surge of illegal aliens that will result from this reduced enforcement funding in addition to the termination of Title 42?

Secretary BECERRA. You wish——

Mr. GOOD. Are we ready for the surge?

Secretary BECERRA. Do you wish me to respond to the question?

Mr. GOOD. Go ahead.

Secretary BECERRA. We are doing everything we can to make sure that we deal with any migrant child who is unaccompanied that comes into our custody from DHS.

Mr. GOOD. We are prepared to go from 7,000 a day to 18,000 a day?

Secretary BECERRA. We have a legal obligation——

Mr. GOOD. I know those are not all UACs or not all children, but.

Secretary BECERRA. We have a legal obligation to make sure that any child who is unaccompanied does not stay in DHS detention——

Mr. GOOD. So all of our efforts to be—to get them through, to get them into the interior of the country instead of trying to percent this from happening.

Does the President's budget seek to combat the fentanyl that is pouring across the border at all? Because with this reduced funding on the border enforcement piece of it—he said in the state of the Union that he wants to fight the opioid epidemic. We are having it come across in record numbers, killing a record number of Americans. Is there anything in the budget that is going to help enforce or combat the fentanyl that is pouring across the Southern Border?

Secretary BECERRA. I hope you are not implying that our border patrol and customs and enforcement agents aren't doing their job at the border——

Mr. GOOD. I am absolutely declaring that we are not letting border patrol do their jobs.

Chairman YARMUTH. The gentleman's time——

Mr. GOOD. Absolutely we are not letting border patrol do their job. Absolutely.

Chairman YARMUTH. The gentleman's time has expired.

You may respond if you want. Any further——

Secretary BECERRA. I disagree with him. They are working hours long in to try to do their work. It is unfair to criticize them for the work that they are doing and say that they are not doing enough.

Chairman YARMUTH. I now recognize the gentlewoman from California, Ms. Chu, for five minutes.

Ms. CHU. Well, first I just have to make a statement in response to what was said earlier. Yes, God makes no mistakes and that means that transgender kids are not a mistake and deserve our support to be who they are.

Well, turning to a different subject, what I came to ask about which was, Secretary Becerra, wonderful to have you here today. I wanted to ask about reproductive choice. And, first, I would like to thank you for working with the President to once again deliver a budget request free from the harmful and discriminatory Hyde Amendment. Instead, this budget rightly includes significant funding increases for the Title X Family Planning program and the teen pregnancy prevention program, both of which help our most vulnerable access the reproductive healthcare that they need.

So I wanted to ask about the Medicaid free choice of provider requirement. We have a disturbing trend in recent years where extreme Republican Governors and state legislators have taken access to deny Medicaid patients their legal right to seek services from the providers of their choice. states such as Missouri, Arkansas, Mississippi, Louisiana, and South Carolina have instituted bans of state Medicaid funds going to all eligible family planning providers. Courts have even issued injunctions in several states to stop such bans.

Can you discuss HHS's plan to enforce the Medicaid free choice of provider requirement so that everyone can access services like contraception, STI testing, and reproductive counseling of their choice?

Secretary BECERRA. Absolutely, Congresswoman. Please make sure you say hello to everybody back home that I don't get to see much these days.

We have to—as I always say, it is our job to comply with the law and enforce the law. One of the laws that we have on the books is that if we are offering family planning services, it is available to anyone who is qualified to offer family planning services. And that means people who are the beneficiaries, the individuals who need those family planning services, should have access to those programs. We should not be restricting them because we don't like what else they might do beyond that family planning service.

And so we are going to simply enforce the law, make sure that we are in compliance with the law, and make sure, as you said—and thank you for the work that you have done on this—make sure Americans have a choice of going to a provider that can provide them with that family planning service.

Ms. CHU. Thank you for that.

And I want to say that one of the benefits of the Affordable Care Act's birth control benefit was that everyone could access the con-

traceptive method of their choice cost free. However, this promise has unfortunately not been realized for many, even those who have insurance. Some health insurance companies are still imposing out-of-pocket costs on birth control, which is in direct violation of the law. When they don't comply with the law, the impact is greatest on people for whom even a small copay for birth control is too great a barrier between them and the care that they need. And that is why I was proud to join Representative Lois Frankel in sending you a letter requesting that your agency, along with Treasury and the Department of Labor enhance your enforcement actions and improve public awareness around the ACA's contraceptive requirement.

Secretary Becerra, I know you have experience with this during your time as our state's attorney general, can you discuss how HHS plans to ensure insurance companies are complying with the law and that the public is aware of their rights under the ACA? Will patients be the ones responsible for reporting violations or will HHS proactively be investigating plans to ensure compliance?

Secretary BECERRA. Congresswoman, we are taking proactive steps to make sure that those providers and those insurers who are out there receiving federal support for their work understand their obligation under the law to make sure that services that are provided for under law under the Affordable Care Act are made available to anyone who qualified, and that of course includes women and contraceptive services.

So we are going to double down on this to make sure that we both inform providers of their responsibility and make sure that we hunt down those who are violating the rights of Americans to access the services they are entitled to under law.

Ms. CHU. And let me thank you for your leadership in ensuring Title X Family Planning Program. This is the nation's only program dedicated to providing family planning services for people with low incomes, but has been underfunded for a decade. The budget finally invests $400 million for this program, which is the highest funding in the history of this program.

So I wanted to make sure that everybody knew that that is in this budget and it is a great thing for the women of this country.

Thank you.

Secretary BECERRA. Thank you.

Chairman YARMUTH. The gentlewoman's time has expired.

I now recognize the gentleman from Iowa, Mr. Feenstra, for five minutes.

Mr. FEENSTRA. Thank you. Thank you, Chairman Yarmuth and Ranking Member Smith. Secretary Becerra, thank you for being here. I appreciate your comments.

I am looking at this and thinking what twisted webs we weave. The Fiscal Year 1922 omnibus bill just passed with Democrats of the House and the Senate and the White House. Every chamber passed the current budget, President signed it into law, and the Hyde Amendment, which bans federal funding of abortion was in it. And yet can you confirm that to include the Hyde Amendment for Fiscal Year 1922 funding bill, your budget does not. Can you—I am wondering why that is.

Secretary BECERRA. It is not because the President has made it very clear that he wants to make sure that we are providing under the law all of the services that America should be entitled to.

Mr. FEENSTRA. But he signed the bill, the Democrats approved the bill. I am missing something here. I mean you have control—Democrats control the House, the Senate, and the presidency. He signed it and yet now he is not doing that? I am missing this.

Secretary BECERRA. What he signed was the current Fiscal Year budget, the omnibus——

Mr. FEENSTRA. So it was good then, but not now? Is that what you are saying?

Secretary BECERRA. Are you suggesting that we shut down government?

Mr. FEENSTRA. No, I am just simply suggesting I want to know why is this happening? I mean——

Secretary BECERRA. If he didn't sign it, we would have had a shutdown of government. And so are you suggesting he not——

Mr. FEENSTRA. No, he has—I am saying he has signed—he signed a bill that the Hyde Amendment was in it and now you are saying we don't want it anymore.

Secretary BECERRA. But what you—are you saying he had a choice. Could he have extracted the Hyde Amendment?

Mr. FEENSTRA. I am saying that everybody agreed to it, so you would assume——

Secretary BECERRA. I don't think everyone agreed to it, but certainly it had to be included——

Mr. FEENSTRA. It is signed.

Secretary BECERRA [continuing]. in order to get that omnibus to the President's desk. I mean, Congressman, I don't know how long you have been around here, but that is the way——

Mr. FEENSTRA. I would like to clarify one other point.

Secretary BECERRA. Yes.

Mr. FEENSTRA. Thank you, thank you.

Last week the OMB Director Young testified to the committee that the budget assumes that even given insolvency that Medicare spending would continue at its current rates. I also asked the director to clarify how according to page five of the Department of Treasury's green book, the budget can work when it assumes that Congress will pass Build Back Better last year—it assumed that yet, which we didn't, right. But the bill—the book is assuming that. Those two assumptions make absolutely no sense to me. Assuming Build Back Better was passed, it also assumes that Medicare will go bankrupt, insolvent, earlier.

On the reverse, expanding Medicare under the assumed Build Back Better law, which they say is in here, would drastically change Medicare spending. So Medicare spending account for 15 percent of all of our spending and it is going up dramatically.

So my question is, Mr. Secretary, why doesn't the budget address this—Medicare is on track to be insolvent by 2026?

Secretary BECERRA. Congressman, if you read the budget, you will see that the President's budget request does provide further support to strengthen Medicare.

Mr. FEENSTRA. Yes, yes, yes, I agree, but it also in the same budget creates Build Back Better. So then it dramatically expands Medicare.

Secretary BECERRA. More services to seniors is a pretty good thing and——

Mr. FEENSTRA. I am not arguing that. I am simply saying, based on the budget, that you are dramatically expanding Medicare under the Build Back Better, which is in the budget. It is assuming that on page five. And yet I just heard you talk to Congressman Smucker and you are saying, you know what, we will be OK. That is not what the budget says.

Secretary BECERRA. If you read the budget, you would realize that——

Mr. FEENSTRA. I read it very close.

Secretary BECERRA [continuing]. it reduces the deficits in the long-term. It actually provides for a very fiscally responsible way——

Mr. FEENSTRA. But not the unfunded liability of Medicare.

Secretary BECERRA. Congressman, there are provisions in the President's budget that extend the fiscal strength of Medicare. There are provisions in there that would provide for further program integrity. And as I mentioned earlier——

Mr. FEENSTRA. I agree with that.

Secretary BECERRA. And as I mentioned earlier, I believe this Administration is prepared to speak to anybody who wants to talk about strengthening Medicare by cutting costs, not by cutting benefits.

Mr. FEENSTRA. Right. OK. Thank you. Thank you for that. But I don't need any more comments, but I just want to say this. When you add Build Back Better and all that you are doing for Medicare, all the extra pieces, Medicare is going to go insolvent a lot faster. It will. And you don't have to——

Secretary BECERRA. You are saying we should not improve Medicare for seniors?

Mr. FEENSTRA. I am simply saying to you as your budget does one thing—it is sort of a shell game, right. It is a shell game.

Secretary BECERRA. No, no, no.

Mr. FEENSTRA. We are going to do this, this dangling thing over here, but don't look over here at what is going to happen in 10 years.

Secretary BECERRA. No, no. The President's budget reduces the deficit. It does so because it is fiscally responsible. At the same time, the President clearly wants to make sure we improve Medicare services and benefits.

Mr. FEENSTRA. Short-term. Short-term it does. But I am looking 10 years out and that is what the budget doesn't—thank you.

I yield back.

Chairman YARMUTH. The gentleman yields back.

I now recognize the gentlewoman from California, Ms. Lee, for five minutes.

Ms. LEE. Thank you, Mr. Chairman.

Hello, again, Mr. Secretary. Nice to see you.

Let me just clarify one thing with regard to the Hyde Amendment. The Hyde Amendment was passed—I was a staff person here

for the late—the honorable late Congressman Ron Dellums. When Henry Hyde inserted the Hyde Amendment in the mid-'70's, that Amendment was to deny the full range of reproductive healthcare, including abortions, to low-income women and women of color. Thank goodness our bill did not include that after all of these years when we sent that to the Senate. And so the Senate unfortunately held it up and the government could have shut down if it hadn't been for the negotiations. And so who sacrificed for making sure that the government would not shut down? It was low-income women and women of color. And we are going to continue until we provide equity, racial justice, for everyone, every person in this country, and that includes black and brown women and low-income women.

And so, Mr. Secretary, I just want to make sure that is clarified, that the government could have shut down. And I am glad that you signed the omnibus bill, but we are going to keep fighting until justice is done. So thank you very much.

Let me ask you about HIV and AIDS. During the Labor HHS Appropriations Subcommittee hearing last year you mentioned that the budget for the new $9.8 billion mandatory spending PrEP delivery program largely focuses on bulk purchasing of generic drugs.

So let me ask you, with regard to the Administration, why has it designated the funding as mandatory rather than discretionary? And have you connected with the stakeholders? And also is there a consensus on how the $2.8 billion will be distributed? With the availability of low cost and free drug programs for people who are uninsured, I am hearing from the HIV community that access to the drug is not the issue. What I have heard is that clinics need funding to cover lab services and medical visits for the uninsured. There is also a need for community outreach programs and provider education and training programs and other wraparound services.

And so can we ensure that the new PrEP program focuses on these support services also? And how is this going to be structured, given that it is right now not discretionary?

Secretary BECERRA. Congresswoman, I think, as always, this is the President's proposal. I suspect that you and your colleagues will try to work this budget to make it something that works as best as possible. We will be there to support. What we do want to do is make a commitment to make sure that everyone has an opportunity to have the lifesaving therapies that are available now to anyone with HIV/AIDS. And we will do everything we can to make it affordable for everyone in America.

And so we are more than willing to work with you. If you think there are some better ways of doing it, we are certainly willing to listen. This is the President's budget proposal. At the end of the day, as you just finished your discussion in terms of the omnibus you all will determine what the budget looks like, but we hope what it will do is make a major investment in PrEP and doing all the things that we need to do to really tackle HIV/AIDS.

Ms. LEE. Thank you very much. And we will work with you on that because I think we have some ideas about a better way to do this.

Also, the National Academy of Sciences, Engineering, and Medicine issued a report recently on primary care that estimates 85 deaths per day in the United States are the result of declining access to primary care. Your budget proposes a $5 million increase for training in primary care medicine, thank goodness. Is the proposed investment in primary care part of a larger strategy to address the growing shortage of primary care? And also we are working with an initiative that the National Academy put forth in recommending some pathways and strategies for black medical physicians and engineers. And the African American community, you know, is lacking in terms of African American primary physicians.

Secretary BECERRA. And, Congresswoman, COVID made it even more clear how much of a gap there is in getting professionals, healthcare professionals into many communities in this country. And so we are absolutely committed in making a difference there. We want to increase the funding that we have for the pipeline of those medical professionals. We want to make sure that they are able to afford getting those medical degrees. We want to make sure that we provide them—I should give you a real quick example—my son-in-law is about to finish in about two months his residency program as a pediatrician. He will be as a result of a federal program that—Public Health Service Corps Program—he is now about to serve for five years in a medically under served are of the country. He was able to do that and go to medical school without having to pay for it because he has made that commitment to serve for five years.

Ms. LEE. Mr. Secretary, you said your son-in-law? Mr. Chairman, we served together in the California legislature and I remember your—when your twins were born.

Secretary BECERRA. Yes, yes.

Ms. LEE. So congratulations.

Secretary BECERRA. Yes. That is where they are now. She is now married and her husband is finishing his residency program.

Ms. LEE. My God.

Secretary BECERRA. Yes, I know.

Ms. LEE. Congratulations.

Secretary BECERRA. Thank you.

Ms. LEE. Well, thank you again and we look forward to working with you.

Secretary BECERRA. Thank you.

Chairman YARMUTH. The gentlewoman's time is expired.

I now recognize the gentleman from Virginia, Mr. Cline, for five minutes.

Mr. CLINE. Thank you, Mr. Chairman. Thank you, Mr. Secretary, for being here again. I got to speak to you last week on the Labor HHS Sub and I appreciate you being here.

Secretary BECERRA. Thank you.

Mr. CLINE. Earlier you stated that gain-of-function research was not directly or indirectly funded and that U.S. taxpayer dollars did not go to the Wuhan laboratory. Is that a correct statement?

Secretary BECERRA. The National Institute of Health and HHS does not fund gain-of—I lost it.

Mr. CLINE. Gain-of-function.

Mr. BECERRA. Gain-of-function—thank you very much. It has been a very long day. Gain-of-function research and certainly not directly to or even indirectly to Wuhan Institute of Virology.

Mr. CLINE. OK. I am looking at a letter from October 20, 2021 where a top NIH official responded to Ranking Member Comer at EcoHealth Alliance, a nonprofit that has sent U.S. funds to the Wuhan lab, had not been transparent in their work. So apparently there were funds that were sent from NIH to the EcoHealth Alliance and from the EcoHealth Alliance to the Wuhan lab. Would you agree with that?

Secretary BECERRA. You are now speaking about Eco Lab and some of the funding it may have done with some of its subs. You asked me about direct or indirect funding by NIH and I said to you that we do not do direct or indirect funding to the Wuhan lab.

Mr. CLINE. OK. You wouldn't call that indirect funding?

Secretary BECERRA. For the gain-of-function research issues, no. As far as I know, we have not done any direct—we have not contracted with someone to do direct or indirect research on gain-of-function.

Mr. CLINE. What would you call it when money is sent from a government agency to a sub, EcoHealth Alliance, and then directly to Wuhan lab for the purpose of gain-of-function research?

Secretary BECERRA. I say show me what you got. Let me see what makes you say that.

Mr. CLINE. Well, the letter I have is from your NIH on October 20 and it states that EcoHealth Alliance did send money to the Wuhan lab.

Secretary BECERRA. To do gain-of-function research?

Mr. CLINE. Gain-of-function research was occurring and it was known to NIH that it was occurring when the grant was asked for.

Secretary BECERRA. Read to me please where it says that the NIH funded EcoLab to do gain-of-function research through the indirect funding of Wuhan Institute.

Mr. CLINE. What I am saying is that the EcoHealth Alliance received money from the——

Secretary BECERRA. OK. You can confuse a number of things together to try to reach a conclusion——

Mr. CLINE [continuing]. federal government.

Secretary BECERRA [continuing]. but that doesn't mean that we funded gain-of-function research.

Mr. CLINE. If the money from NIH went to EcoLabs and EcoLabs funded the Wuhan lab efforts at gain-of-function research, that is indirect funding.

Secretary BECERRA. Congressman, are you asserting that the only funding or the only research that EcoLabs does is with Wuhan and only on gain-of-function research?

Mr. CLINE. Are you insinuating that somehow money is not fungible and that money provided from the federal government doesn't somehow support efforts to do something that an entity could be engaged in at the same time?

Secretary BECERRA. I am trying to answer your question. Your question was does the federal government, does HHS, or does NIH fund gain-of-function research to the Wuhan lab—research the Wuhan Institute of Virology does, and I said to you no.

Mr. CLINE. Well, money is fungible, as you well know. And I would argue to the contrary. And so if you don't wish to amend or clarify your statement, I will just——

Secretary BECERRA. I think it is clear, Congressman.

Mr. CLINE. I think it is intentionally evasive on the part of you and on the part of NIH. You avoid taking responsibility for funding gain-of-function research.

Secretary BECERRA. Congressman, I don't want to be evasive, I just want to respond to your question as you posed it. If you want me to answer the question about whether EcoLab may do any other types of research or fund others, that is—that might be a different question. But you are asking if we, the federal government, are funding the Wuhan Institute of Virology to do gain-of-function research, and the answer is no.

Mr. CLINE. Well, EcoLabs knows that they funded it, NIH knows that EcoLabs funded it, you know that they funded it, the American people know that they funded it, and I am disappointed in the evasion today.

I yield back.

Chairman YARMUTH. Does the gentleman have an interest in submitting documentation for the record?

Mr. CLINE. Mr. Chairman, I am happy to submit the letter from EcoLab to NIH for the record.

Chairman YARMUTH. OK, without objection.

The gentleman's time has expired.

[Letter submitted for the record follows:]

DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

National Institutes of Health
Bethesda, Maryland 20892

October 20, 2021

The Honorable James Comer
Ranking Member, Committee on Oversight and Reform
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative Comer:

Thank you for your continued interest in the work of the National Institutes of Health (NIH). I am writing today to provide additional information and documents regarding NIH's grant to EcoHealth Alliance, Inc.

It is important to state at the outset that published genomic data demonstrate that the bat coronaviruses studied under the NIH grant to EcoHealth Alliance, Inc. and subaward to the Wuhan Institute of Virology (WIV) are not and could not have become SARS-CoV-2. Both the progress report and the analysis attached here again confirm that conclusion, as the sequences of the viruses are genetically very distant.

The fifth and final progress report for Grant R01AI110964, awarded to EcoHealth Alliance, Inc. is attached with redactions only for personally identifiable information. This progress report was submitted to NIH in August 2021 in response to NIH's compliance enforcement efforts. It includes data from a research project conducted during the 2018-19 grant period using bat coronavirus genome sequences already existing in nature.

The limited experiment described in the final progress report provided by EcoHealth Alliance was testing if spike proteins from naturally occurring bat coronaviruses circulating in China were capable of binding to the human ACE2 receptor in a mouse model. All other aspects of the mice, including the immune system, remained unchanged. In this limited experiment, laboratory mice infected with the SHC014 WIV1 bat coronavirus became sicker than those infected with the WIV1 bat coronavirus. As sometimes occurs in science, this was an unexpected result of the research, as opposed to something that the researchers set out to do. Regardless, the viruses being studied under this grant were genetically very distant from SARS-CoV-2.

The research plan was reviewed by NIH in advance of funding, and NIH determined that it did not to fit the definition of research involving enhanced pathogens of pandemic potential (ePPP) because these bat coronaviruses had not been shown to infect humans. As such, the research was not subject to departmental review under the HHS P3CO Framework. However, out of an abundance of caution and as an additional layer of oversight, language was included in the terms and conditions of the grant award to EcoHealth that outlined criteria for a secondary review, such as a requirement that the grantee report immediately a one log increase in growth. These

measures would prompt a secondary review to determine whether the research aims should be re-evaluated or new biosafety measures should be enacted.

EcoHealth failed to report this finding right away, as was required by the terms of the grant. EcoHealth is being notified that they have five days from today to submit to NIH any and all unpublished data from the experiments and work conducted under this award. Additional compliance efforts continue.

The second document is a genetic analysis demonstrating that the naturally occurring bat coronaviruses used in experiments under the NIH grant from 2014-2018 are decades removed from SARS-CoV-2 evolutionarily. The analysis compares the sequence relationships between:

- SARS-CoV-1, the cause of the SARS outbreak in 2003;
- SARS-CoV-2, the cause of COVID-19 pandemic;
- WIV-1, a naturally occurring bat coronavirus used in experiments funded by the NIH;
- RaTG13, one of the closest bat coronavirus relatives to SARS-CoV-2 collected by the Wuhan Institute of Virology; and
- BANAL-52, one of several bat coronaviruses recently identified from bats living in caves in Laos.

While it might appear that the similarity of RaTG13 and BANAL-52 bat coronaviruses to SARS-CoV-2 is close because it overlaps by 96-97%, experts agree that even these viruses are far too divergent to have been the progenitor of SARS-CoV-2. For comparison, today's human genome is 96% similar to our closest ancestor, the chimpanzee. Humans and chimpanzees are thought to have diverged approximately 6 million years ago.

The analysis attached confirms that the bat coronaviruses studied under the EcoHealth Alliance grant could not have been the source of SARS-CoV-2 and the COVID-19 pandemic.

If you or your staff have questions, NIH would be pleased to brief you on these documents.

Lawrence A. Tabak, D.D.S., Ph.D.
Principal Deputy Director

I now recognize the gentleman from Pennsylvania, Mr. Boyle, for five minutes.

Mr. BOYLE. Thank you, Mr. Chairman. It is wonderful to see literally the first person who welcomed me after my election eight years ago back. Mr. Secretary, thanks for being with us.

And I want to focus on something that actually I have not heard for quite a while, at least in this hearing, and something I fear we are not focusing on the way we should be in Congress or even in society, and that is our twin challenges of substance abuse problems as well as the mental health crisis.

You might recall about four or five years ago actually the substance abuse issue, the closely related overdose issue got a lot of attention, which is a good thing. But it is then, partly I suspect because of the pandemic, but partly because the media has a short attention span—unfortunately this subject has kind of receded in the public's attention, which is completely contrary to where we actually are in both of these twin crises. For example, and this is according to the CDC, in a 12 month period ending in April 2021 we had an increase of 28.5 percent over the exact same period the year before in terms of drug overdoses, now over 100,000 a year for the first time in American history.

And then with respect to the mental health crisis, just anecdotally, I won't even cite statistics, the number of people in my own life, close to me, who have now suffered with this. The number of friends I have who have a loved one who has suffered. It is not overstating the situation to call it a crisis.

So I was really impressed with your testimony. I was so glad that you focused on both of these issues in your written testimony. Also the commitment to invest more than $100 billion over 10 years to transform the mental health as well as substance abuse disorder coverage system in the country. And I was hoping, and wanted to give you the opportunity to talk a little bit about beyond the dollars and sense what exactly that means.

Secretary BECERRA. Congressman, thank you for that.

One of the things it means is trying to finally remove the stigma. If you are right now caught in this trap of substance abuse disorder, it is tough to get out. I mean just the addiction is tough, but facing the stigma that is attached to it is sometimes very difficult for folks to overcome. We don't want to blame you for having become addicted to this disease, we want to help you get out of it.

And so one of the things we are doing is we are trying to turn toward the evidence to tell us how to go about doing substance use services. And so we changed the strategy altogether. We are now focusing not just on preventing people from getting addicted and not only treating, but now to following them through the process so they actually succeed long-term. And even before that, trying to help them not harm themselves. You know, we want to save a life, but we also want to keep you from harming yourself along the way.

And so our strategy is far different and I hope what we do is proof that we want to be there for you in the long run.

Mr. BOYLE. Well, I am happy to hear that with respect to substance abuse.

And just briefly on the mental health side of it, I would bring to your attention—though I am certain that you are aware of it—that

when—although this is the case actually with both—it is not just the person who is suffering either from an addiction or from a mental health issue, but the family that is affected. Sometimes, especially with respect to mental health, sometimes it is actually the family that is suffering even more acutely. And so anything we can do to provide resources to the families. There are just far too few in our society and we have a lot of people in our country who are hurting because of that.

Secretary BECERRA. Congressman, there is where the home and community-based services that we are going to try to really beef up so that people can receive care as close to their loved ones as possible become so important. And so the degree that we can support someone, whether it is because of mental illness or because of substance use disorder, get the treatment they need, services they need, as close to home as possible, the better off we will be.

Mr. BOYLE. Well, finally, just in the 30 seconds remaining—and I don't have a silver bullet on this, I don't think anyone does—but what many have found, my family included, is that if you have a loved one who has a mental health issue, but the loved one doesn't recognize the very serious issue, there are far too few options for the family. And, of course, we are a country that believes in civil liberties. That is right, but there has to be a better of balancing civil liberties with the desire of a family to get love and care to one that desperately needs it.

Secretary BECERRA. Amen.

Mr. BOYLE. Thank you.

I yield back.

Chairman YARMUTH. The gentleman's time has expired.

I now recognize the gentleman from Georgia, Mr. Carter, for five minutes.

Mr. CARTER. Thank you for being here, Mr. Secretary.

I have got a quick question for you to begin with. It is about the Medicare A—the Medicare Area Wage Index. I am sure you are familiar with that. And it is hurting hospitals in my district.

Now, I represent South Georgia. Keep in mind there are two Georgia's, there is Atlanta and everywhere else, and I am talking about everywhere else, OK. And I am talking about a very rural area. And it is really hurting our hospitals. And I have got legislation. It is H.R. 4066, the Save Rural Hospitals Act, and it establishes an area wage adjustment for Medicare hospital payments. I just want to ask you if you will commit to working with us to get this fixed so that we can help rural hospitals.

You are familiar with the plight of rural hospitals.

Secretary BECERRA. Yes.

Mr. CARTER. You are familiar with how important they are to these communities and you know that they are struggling. You know a lot of them are closing down. This will help. And we need your help on this and I just want to get that commitment from you.

Secretary BECERRA. With the number of facilities that are closing down in rural America, it is alarming. Absolutely, you have my commitment to work with you. We may not agree on every solution, but I am absolutely committed to working with you.

Mr. CARTER. Good. I hope you will look at this legislation. Again, it is H.R. 4066.

Secretary BECERRA. Will do.

Mr. CARTER. And it is bipartisan and it is good legislation that will help us as well.

Secretary BECERRA. Will do. And if you need any technical assistance on that, please turn to our team and we will be there to help.

Mr. CARTER. Thank you. I appreciate that.

Mr. Chairman, I would like to ask unanimous consent to submit this letter from the Tennessee Hospital Association and signed by nine other states, including the state of Georgia, regarding the Medicare Hospital Area Wage Index.

Chairman YARMUTH. Without objection.

Mr. CARTER. Thank you.

[Letter submitted for the record follows:]

March 21, 2022

Chiquita Brooks-LaSure
Administrator
Centers for Medicare and Medicaid Services
200 Independence Ave., S.W..
Washington, DC 20001

Administrator Brooks-LaSure,

On March 2, 2022, the United States District Court for the District of Columbia ruled that the Department of Health and Human Services (HHS) exceeded its statutory authority when the Centers for Medicare and Medicaid Services (CMS) promulgated a regulation to address wage disparities among hospitals. On behalf of our member hospitals, our Associations are writing to encourage HHS to appeal the ruling to protect not only the agency's clear statutory authority to make such an adjustment, but also to protect the nearly 800 hospitals helped by this quartile adjustment known as the Low Wage Index Hospital Policy.

The Medicare Hospital Area Wage Index (AWI) has been a problem for decades, creating a disparity between high wage index states and low wage index states that results in a downward spiral. In 2003 the lowest wage index was 0.759 and the highest was 1.5185, a difference of 100%. However, this gap has since widened exponentially, and in 2019, the lowest wage index had dropped to 0.6704 and the highest rate had climbed to 1.9025, a difference of 184%. In the AWI system, small changes can cost hospitals millions of dollars, so this widening gap is quite alarming. The facts illustrate that HHS was right to express concern that the AWI methodology used by the agency exacerbates the disparities between hospitals. The implementation of the Low Wage Index Hospital Policy in fiscal year (FY) 2020 has provided much needed financial relief to low AWI hospitals.

CMS has used its rulemaking authority to provide relief from the broken wage index system in the past. In 2005, the agency established an imputed rural floor to address concerns from hospitals in all-urban States. CMS has continued this policy year after year, noting that these changes were made pursuant to comment and rulemaking, just as the quartile adjustment received comment and rulemaking, and, most importantly, that the Secretary has "broad authority under section 1886(d)(3)(E) of the Act to adjust the proportion (as estimated by the Secretary from time to time) of hospitals' costs which are attributable to wage and wage-related cost of the DRG prospective payment rates for area differences in hospital wage levels by a factor (established by the Secretary)."

In fact, when CMS used this authority in the FY 2005 Medicare Hospital Inpatient Prospective Payment System (IPPS) final rule to make a policy adjustment, they noted the special circumstances of hospitals in all-urban states in creating the imputed rural floor. These all-urban states noted that the absence of a

rural floor disadvantages them in calculating the wage index much like low-wage index states noted the detrimental impact of the downward spiral they have faced for decades. This policy adjustment was paid for by taking Medicare funding from hospitals in low wage index states and further reducing their wage indexes yet again. As noted above, the Secretary of HHS used the authority granted him in the statute to develop an undisclosed formula to create a rural floor for these states. Ironically, many of the hospitals in states who benefited from the imputed rural floor are among the plaintiffs in the current case. It appears they appreciate the use of the Secretary's broad authority when it benefits them but oppose it when it benefits hospitals in other states. In fact, CMS said in the FY2015 IPPS final rule:

> In response to the commenter who questioned what statutory authority CMS has to extend the imputed floor policy and declare new States eligible, as we stated in the FY 2005 IPPS final rule (69 FR 49110), we note that the Secretary has broad authority under section 1886(d)(3)(E) of the Act to "adjust the proportion (as estimated by the Secretary from time to time) of hospitals' costs which are attributable to wages and wage-related costs of the DRG prospective payment rates . . . for area differences in hospital wage levels by a factor (established by the Secretary) . . ." Therefore, we believe that we do have the discretion to adopt a policy that would adjust area wage indexes in the stated manner. We adopted the imputed floor policy and subsequently extended it through notice-and comment rulemaking to address concerns from hospitals in all-urban states

Beyond the need to appeal we also encourage CMS to continue the Low Wage Index Hospital Policy in the FY2023 IPPS rule currently being developed. As noted above, the Secretary of HHS clearly has the statutory authority to adjust the wage index from time to time and the agency should not remove the policy until all appeals have been exhausted. The COVID-19 pandemic created a skewed labor market that will only further disrupt the wage index calculations. We have not had the opportunity to see the true impact of the Low Wage Index Hospital Policy because the pandemic has so disrupted the marketplace. Extending the policy for another year, and for years beyond, will allow hospitals and the agency to understand the true impact in a somewhat normal environment. The pandemic has added tremendous pressure to an already fragile health care infrastructure and ending this small lifeline would be devastating.

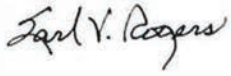
It is more important than ever that CMS uses its authority to ensure that every American have equal access to care and not be punished for living in a majority rural state. CMS noted when it initially finalized the rule that "rural areas have experienced more than 100 hospital closures since 2010 and continue to face limited access to specialty care," stressing that this policy adjustment would "help low-wage hospitals attract and maintain a highly skilled workforce, which will strengthen competition and lead to greater choice for patients in rural areas."

CMS has the authority to make policy adjustments and this step towards achieving health equity was justified and supported by Congress. In the fiscal year 2019 Labor, Health and Human Services Appropriations report, CMS was encouraged to identify ways to reduce regional disparities in the Medicare wage index. There is also bipartisan legislation currently being considered. S999/H.R.4066, the *Save Rural Hospitals Act of 2021*, would establish a nationwide floor of 0.85 to stop the downward spiral that is crushing hospitals in low-wage index states. While we work towards this comprehensive reform, we sincerely hope that CMS will use the current IPPS rulemaking process to reduce the significant vulnerabilities our member hospitals have faced for decades.

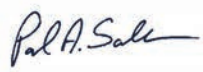
Sincerely,

Donald E. Williamson, MD
President / CEO
Alabama Hospital Association

Bo Ryall
President & CEO
Arkansas Hospital Association



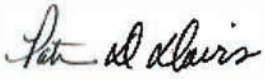
Earl V. Rogers
President and CEO
Georgia Hospital Association



Paul A. Salles
President & Chief Executive Officer
Louisiana Hospital Association

Timothy H. Moore
President/CEO
Mississippi Hospital Association

Stephen J. Lawler
President & CEO
North Carolina Healthcare Association



Patti Davis
President
Oklahoma Hospital Association

Thornton Kirby, FACHE
President and CEO
South Carolina Hospital Association

Wendy Long, MD, MPH
President and Chief Executive Officer
Tennessee Hospital Association

John Hawkins
President/CEO
Texas Hospital Association

Now, Mr. Secretary, I want to ask you about—I actually sent you a letter, a letter about this, had 53 signatures of my colleagues on it. It has to do with the President's Fiscal Year 2023 budget. And once again it promotes taxpayer funding of abortions by excluding the longstanding bipartisan Hyde Amendment protections that prohibit the use of taxpayer dollars to subsidize abortion services. Are you aware of that?

Secretary BECERRA. Congressman, I am fully aware of this issue and the deeply held beliefs that really reside behind it.

Mr. CARTER. Thank you.

I want to—the letter that I sent you and that was signed, as I say, by 53 of my colleagues, mentioned in there our concerns about the Task Force on Reproductive Health. And you are familiar with that? I believe that is something——

Secretary BECERRA. I started it up.

Mr. CARTER [continuing]. that was implemented, instigated by your office.

Secretary BECERRA. It absolutely was.

Mr. CARTER. OK. You know, that was on the 49th anniversary I believe of Roe v. Wade where you announced that you would be forming this task force with the explicit purpose, as I understand it, of promoting abortion in response to pro life laws passed by states and to increase abortions in foreign countries.

Secretary BECERRA. Congressman, I have long supported reproductive decisions and privacy under Roe v. Wade.

Mr. CARTER. OK. But what about the Hyde Amendment? And what I am getting at here, 73 percent of Americans oppose using their tax dollars to pay for abortions in other countries—73 percent. And just recently in January a majority of Americans opposed taxpayer funding for any abortions here in America as well. So we are talking about taxpayers' dollars here being used for something that they are opposed to. And that is for taking the life of the unborn. And that is from my perspective.

The task force, as I understand it, it formalized the pro abortion advocacy at home and abroad that has been—it has already been promoted through HHS. Does this new task force intend to use federal funds to advocate against state laws protecting the unborn?

Secretary BECERRA. The purpose of the task force is to make sure that we are enforcing the laws that are in place and protecting people's right under those laws.

Mr. CARTER. Including the Hyde Amendment?

Secretary BECERRA. Any law that is in place, we will make——

Mr. CARTER. Including the Hyde—that is easy, yes or no. Including the Hyde Amendment?

Secretary BECERRA. We will enforce and protect the rights of people under all our existing laws.

Mr. CARTER. Including the Hyde Amendment, yes?

Secretary BECERRA. We will——

Mr. CARTER. OK.

Secretary BECERRA. OK.

Mr. CARTER. I am a pharmacist, I am not a lawyer, so you can use your lawyer talk with me, but I——

Secretary BECERRA. I am being pretty clear, we are going to enforce every law——

Mr. CARTER. Pretty clear—and that includes the Hyde Amendment, which protects the unborn and prohibits the use of taxpayers' money for abortion?

Secretary BECERRA. As I said, we are going to protect every person's rights under existing law. I am not excluding any particular laws, I am just going to make sure I enforce the laws properly. I am obligated to comply with the law. And so if there is a law in place, I am going to comply with it.

Mr. CARTER. Good. And that shows us and tells me how important it is that we make sure that the Hyde Amendment rules are added into any budget and into any laws and any appropriations that we have.

So thank you, Mr. Secretary, for being here. Appreciate your indulgence.

And I yield back.

Secretary BECERRA. Thank you for your questions.

Chairman YARMUTH. The gentleman yield back.

I now recognize the gentleman from New York, Mr. Jeffries, for five minutes.

Mr. JEFFRIES. Thank you very much. Good evening, Mr. Chairman, good evening to our very distinguished witness. Good to see you. I have had the opportunity to call you Chairman Becerra, General Becerra, and now Secretary Becerra. I appreciate your distinguished record of service. And, of course, welcome back to the House of Representatives.

When President Biden came into office in early 2021, I believe about only 2.8 million Americans were fully vaccinated against COVID at the time. Is that correct?

Secretary BECERRA. Less than 1 percent, that is correct.

Mr. JEFFRIES. And about 15 months later, how many Americans are fully vaccinated?

Secretary BECERRA. Over 217 million.

Mr. JEFFRIES. That is an extraordinary accomplishment. Does that happen by accident or how did that actually occur?

Secretary BECERRA. It is neither accident or coincidence. It was a lot of hard work on the part of many of the people at HHS and throughout government, and a lot of the folks out therein the private sector and in local government as well.

Mr. JEFFRIES. None of my colleagues on the other side of the aisle supported the American Rescue Plan. How instrumental was the American Rescue Plan in helping to stand up a public health infrastructure with respect to both the vaccination accomplishments that you and others within the Biden Administration are responsible for, as well as our general efforts at working through this deadly once in a century pandemic?

Secretary BECERRA. Indispensable. Without it, hundreds of millions of Americans wouldn't have the level of protection they have, hundreds of thousands of healthcare providers, doctors, nurses, hospitals, healthcare clinics would not have been able to receive reimbursement for some of the cost they incurred to provide those services to Americans to stop COVID.

Mr. JEFFRIES. The American people are understandably fatigued as it relates to this deadly pandemic and it has been with us now for two plus years, and we have been through multiple variant,

Delta variant, Omicron variant. Now we have got a sub variant. I believe officially it is referred to as BA.2, I believe. But this is still a challenge and more than 900,000 Americans have been killed by COVID–19. That is an extraordinary amount of people. That is a lot of pain and suffering and death that have been experienced in every community across America, rural, urban, suburban, exurban, small-town America, Appalachia. How should we be thinking about this moment that we are in as Congress is contemplating additional funding for the next phase of working through this pandemic?

Secretary BECERRA. Don't go AWOL. Not at this time, not when we are so close. This is not the time to turn off the burners that let us go ahead and—as one of your colleagues said—Mr. Horsford said—to crush COVID. This is our chance to crush COVID, this is the wrong time to not provide the resources to crush COVID.

Mr. JEFFRIES. I agree. And in terms of the possibility, or at least the recommendation, that I believe has now been publicly made in terms of perhaps the importance of an additional vaccination shot, certainly for people who have got preexisting conditions that may cause a COVID infection to be far more deadly, and certain age groups—I believe now north of 50—does the Administration currently have the resources necessary to ensure, as has been done up until this point, that vaccinations are available for every American who chooses—who has the freedom of choice and exercises that freedom, to get vaccinated?

Secretary BECERRA. We have fortunately made investments that allow us to have vaccines that we need for what we know we must do. But if we get to the point, for example, of requiring doses for the fall, another boost in the fall, we probably would not have the resources to provide that to all Americans, if indeed FDA says it is appropriate to provide that to those—and CDC says it is appropriate to provide those—all adults 18 and over or perhaps even children as well. We would not have the therapeutic medicines that we need if we have another surge in the fall. We are running out of those resources. We did a lot of planning, so we have vaccines in place for those who need them today, but we don't have the resources—and therapeutics as well and some of the testing, but that is going to quickly dwindle. And remember, we are at the front of the line in getting these vaccines, these therapeutics because we made the investments early in big numbers. We don't do that, we go to the back of the line.

Mr. JEFFRIES. And, last, how important do you think making the investments in terms of the availability of therapeutics will be for us to get to a point where we can return to some semblance of new normal as we emerge from the current phases of the pandemic?

Secretary BECERRA. It is critical. It is the all of the above approach because certainly the vaccines are the best way to deal with this because if you could prevent the contraction of COVID, that is the best thing. But if someone does get it, to keep them from going to the hospital or perhaps dying, therapeutics are very important. And so all of that, along with the testing, along with the masks, along with the things that keep us safe, are critical to crush COVID.

Mr. JEFFRIES. Thank you, Mr. Chairman. And thank you, Mr. Secretary, for your testimony and for your service.

Secretary BECERRA. And thank you to you.

Chairman YARMUTH. The gentleman's time has expired.

I now recognize the gentlewoman from Texas, Ms. Jackson Lee, for five minutes.

Ms. JACKSON LEE. Thank you very much, Mr. Chairman, and thank you, Mr. Secretary. It is a pleasure to be in the room with you.

And let me acknowledge that America has a great deal to be thankful for this Administration and under your leadership. You were an early appointee and we are delighted that people are living because we took hold of the reigns and had a no nonsense plan to ensure all Americans—and I want to emphasize in particular impoverished and uninsured Americans as well.

In the state of Texas we are literally the poster child—we are the poster child for the poor handling of COVID in the early stages. We have upwards of some 90,000 cases and maybe 50,000 dead. And we continue to have the issue of low vaccination rates in different portions of our state. We somewhat fell victim to no masks, fights about masks, and other destructive elements that certainly were not positive.

So I want to just go right to the heart. The Administration put forward a very positive and effective COVID package that would include impoverished being able to be covered or the uninsured, as well as to make sure that there will be dollars for those who may be coming in petitioning for asylum and making sure that those individuals might be vaccinated. In addition, we were very much concerned about the international aspect of a very small world.

Can you tell me what medical health impact a skinny COVID has? We certainly want to move forward on a COVID bill, but what do we leave out and what danger do we face?

Secretary BECERRA. Congresswoman, we disclose how we utilize the resources we get. What it simply means is that we will be back sooner than you think saying we are here again, we are depleted in our resources, and we need to finish the job. And so I will simply say to you that we are going to use whatever resources we give us the best we can to keep COVID at bay. And I hope that we don't let our guard down and have some future variant come back and to squeeze us the way it back in 2020.

Ms. JACKSON LEE. One of the issues that we all face is mental health and substance disorder. You have put a sizable amount in the President's budget—or in your budget. Tell me what you are doing agency wide to ensure the parity between physical and mental health. My colleague just spoke about the dangers, the damages. I would add that one of the most dangerous calls are domestic violence calls for police officers, but in the mix of that is someone having a mental health crisis.

Secretary BECERRA. So, Congresswoman, I don't think there is any other way to say it but that the President's budget is a game changer. It takes mental health services and the approach to tackling mental health conditions to a different level. When you are willing to commit not only discretionary but mandatory dollars to the degree the President has so that we can help states attack the

prices that we see in our communities on mental health. I hope what Congress will do is accept the challenge and help us, because there are people crying out today for help. We are getting ready to launch the 988 three digit code that will be available for people to call. Similar to 911, 988 will be for those who are suffering severe mental stress and who are on the verge of doing something that they will regret. We want to make sure that when that system goes live nationwide that if someone is going to take the time to make the decision to call us instead of going the wrong decision, they get an answer, not be put on hold or get a busy signal.

Ms. JACKSON LEE. Let me just quickly indicate, I would hope—as you well know, we have those community public health clinics around America. I would like to see us dedicate some totally to mental health services. And I hope, as well continue, we will have an opportunity to discuss that.

Let me just quickly say—let me thank you for the emphasis on childcare, Head Start, the block grants. And you might comment on how important that is coming out of the pandemic.

As I do that, let me ask unanimous consent to put into the record an article dealing with White House burdens initiative to address long-term COVID–19, and then an article about UMC Hospital in Houston.

Chairman YARMUTH. Without objection.

Ms. JACKSON LEE. Thank you.

[Articles submitted for the record follows:]

White House broadens initiative to address long COVID-19

Roll Call
https://rollcall.com/2022/04/05/white-house-broadens-initiative-to-address-long-covid-19/
4/5/2022

The Biden administration on Tuesday unveiled a plan to increase awareness and response to the long-term effects of COVID-19, directing Health and Human Services Secretary Xavier Becerra to helm an interagency effort to coordinate research and support for long-term patients.

The initiative builds on a series of steps taken by the administration, including the RECOVER Initiative, a wide-ranging, $1.15 billion National Institutes of Health study launched last year.

The presidential memorandum directs HHS to coordinate a broad range of educational efforts aimed at boosting research, tracking and coverage of long COVID-19 patients.

"We see you, we are focused on you and we're committed to advancing our nation's capacity to understand and treat your conditions," Becerra said during a press briefing.

White House COVID-19 Response Coordinator Jeff Zients also announced Tuesday that the U.S. would be donating "100 million or more" of Pfizer's pediatric COVID-19 vaccines to low- and middle-income countries, as part of its pledge to donate 1.2 billion doses to other countries.

Zients also indicated that a current surplus of available adult doses in countries with waning interest prompted them to answer requests from around 20 countries for pediatric vaccines.

"So we are now able to help lead the world in vaccinating both adults and children in those countries that are in need," he said.

An estimated 7.7 million to 23 million individuals suffer from long COVID-19, with symptoms that include extreme fatigue, heart and breathing problems, brain fog, or loss of sense and smell.

The memo also focuses on rural and minority populations. Initiatives include incorporating more multilingual translators into helplines run by the Centers for Disease Control and Prevention and the Centers for Medicare and Medicaid Services while increasing cultural competency educational resources provided by agencies such as CMS and the Indian Health Service.

The Substance Abuse and Mental Health Services Administration will study the mental effects that long-term symptoms can cause and promote mental health resources for individuals suffering from long COVID-19.

The Labor Department is also expanding an early intervention pilot program to aid workers experiencing injuries or illnesses like long COVID-19. HHS and the Justice Department have already released guidance on how some long COVID-19 patients are protected under the Americans with Disabilities Act.

The Agency for Healthcare Research and Quality plans to use $20 million included in the president's fiscal 2023 budget request to help launch centers of excellence on long COVID-19 and update clinical guidance for better treatments, should Congress appropriate the funds.

Lawmakers are still working on a $10 billion agreement to reprogram previously appropriated funds toward more COVID-19 activities, although the deal does not contain explicit funding for long COVID-19.

Feds terminate UMMC Medicare contract; hospital appeals decision

Houston Chronicle

https://www.houstonchronicle.com/business/article/Feds-terminate-UMMC-Medicare-contract-hospital-16768220.php

1/11/2022

Staff prepares to administer Covid-19 tests to people lined up at the United Memorial Medical Center testing site at the PlazAmericas shopping mall parking lot last month. Federal officials said they terminated Medicare contracts at United Memorial Medical Center after the Houston hospital system failed yet another federal inspection.

Staff prepares to administer Covid-19 tests to people lined up at the United Memorial Medical Center testing site at the PlazAmericas shopping mall parking lot last month. Federal officials said they terminated Medicare contracts at United Memorial Medical Center after the Houston hospital system failed yet another federal inspection.

Federal officials said they terminated the Medicare contract with United Memorial Medical Center after the Houston hospital system failed yet another inspection.

The Centers for Medicare and Medicaid Services, which oversees the federal health insurance program for the elderly, said it will no longer reimburse United Memorial Medical Center for patients admitted to the small hospital system after Tuesday. The loss of Medicare would likely deal a crippling financial blow to United Memorial, which serves low-income neighborhoods and depends heavily on the federal reimbursements.

Contracts for Medicaid, the federal insurance program for the poor, are typically terminated following the loss of Medicare contracts. About 60 percent of United Memorial's patients are covered by Medicare and Medicaid.

Duni Hebron, the hospital spokesperson, said United Memorial is appealing the decision, and has filed for an emergency waiver. The waiver would allow the hospital to receive Medicare reimbursement for inpatient care because of the pandemic, and remain in effect until the appeal was resolved or the COVID-19 public health emergency ended, she said.

It's unclear when the waiver will be processed. In the meantime, the hospital said it will continue to see Medicare patients, even though it will not be reimbursed.

"We're operating, and we have our revenues coming in, but yes, we're concerned," Hebron said. "But again, we're humans and we're not going to throw people out. For now, we're hopeful the waiver will be approved."

On HoustonChronicle.com: UMMC looks to replace governing board after almost losing Medicare contract

Fifth time

United Memorial Medical Center has four locations in Greater Houston and 150 beds. It was on the brink of having its Medicare contract terminated about a month ago after failing four inspections between January and September 2021.

The Centers for Medicare and Medicaid Services, however, extended the termination deadline into January pending another inspection, which was conducted from Dec. 17-21. The hospital system failed again.

"Despite several opportunities to address their non-compliance, UMMC has failed to ensure the health, safety, and well-being of its patients," a CMS spokesperson said in statement. "Based on continued serious findings of deficiencies at this (Dec. 17-21) survey representing a failure to meet the minimum required quality standards, CMS issued an involuntary termination letter to UMMC on January 10, 2022, notifying the facility that its Medicare agreement will end on January 11, 2022."

The first four inspections found that staff did not have proper certifications for their jobs, and the hospital failed to screen staff for COVID-19. Inspectors also found rust on the wheels and casters of operating tables and stools and cockroaches in the operating room, among other deficiencies.

In the Jan. 10 termination letter, the Centers for Medicare and Medicaid Services said the most recent inspection found that the hospital's pharmaceutical services, surgical services, infection control and emergency services were out of compliance with federal standards.

A final inspection report with more details of the deficiencies won't be made available until early February, said a spokesperson for Centers for Medicare and Medicaid Services.

Hebron said the deficiencies found in the December inspection were mostly "administrative" issues, but declined to explain further.

United Memorial's campus on Houston's Northside is located in a zip code where the median household income is about $36,000, about half the median income for the Houston metropolitan area, according to census data. It also has locations in southwest Houston, Sugar Land and north of Beltway 8.

U.S. Rep. Sheila Jackson Lee, D-Houston, has worked with the hospital and federal officials to maintain the Medicare contract. She said she is sending letters to the president and has spoken to his staff regarding the hospital, its role in the community, and the importance of its Medicare and Medicaid contracts.

Medical desert

She emphasized that the hospital's flagship location is in a medical desert where there are few other health care options. The hospital's services, she added, are needed more than ever as the omicron variant drives a surge in COVID-19 cases.

"I'm hoping CMS can be sensitive and open minded with their own analysis, which had a lot to do with paperwork, signatures and the disposal of old and outdated medicine," Jackson Lee said. "All those things, I wholeheartedly believe, are crossing the 't's and dotting the 'i's."

Although its agreement with Medicare was terminated, the hospital system may continue to provide services for the community, including COVID testing, vaccinations and outpatient services, according to the Centers for Medicare and Medicaid Services. United Memorial also could contract with other local hospitals to provide them additional beds during the public health emergency.

I would like to raise the UMC Hospital and just ask that I get a report back on that issue and to see whether there is any reconsideration. But I would appreciate your comment on the mental health. And then thank you for what occurred in the CMS settlement that gave us a lifeline until September regarding Medicaid. I would like to continue working with you on how we can solve that 1115 problem.

But could you just comment very briefly on the childcare that you all have invested in here that I congratulate you on?

Thank you.

Secretary BECERRA. Yes. And I will be brief because I know time has expired.

I will simply say this, Congresswoman, I remember the days when the talk was every parent should—if you are going to have a child, start thinking about you are going to invest now for your child's college education, so start putting away money now so you can afford the tuition of your child. Well, today Americans are being told not only to save for that college tuition for your child, but be ready because the age of one or two, whenever you start childcare, you are essentially spending college tuition level amounts to get basic childcare for your two-or 3-year-old. That is incredibly difficult for any family that is middle class or below. We need to do something to make childcare affordable. We have a very productive work force. We don't want people leaving the work force because they can't find quality childcare. We also have to treat those people who work in childcare as human beings and professionals, pay them the salary so they don't go off and decide to go flip burgers because they can get more money doing that.

Ms. JACKSON LEE. Mr. Chairman, I yield back. Mr. Chairman, thank you.

Chairman YARMUTH. The gentlewoman's time has expired.

I now yield myself 10 minutes and I promise I will not take anywhere near that time.

We will have no problem getting you out of here well before your hard stop and we appreciate your patience and responsiveness.

There are just a couple of things I want to address. One is my colleague here, the Ranking Member, talks a lot about the American Rescue Plan and his figure, which I will accept as accurate, that—even though I don't know what criteria he established—that only 9 percent of the $1.9 trillion was spent on—directly on COVID combatting COVID. But the name of the bill was not the American COVID Treatment bill or COVID Prevention bill, it was the American Rescue Plan. And it was named that because we understood that there was a terrible cost enacted—or a terrible cost that was experienced at every level of our economy and our society, that families were impacted negatively, that businesses were impacted negatively, that local and state governments were impacted negatively. And that without the federal government stepping in that there were going—there is going to be real damage done at the human level and at the economic level.

So we allocated a great deal of money to state and local governments. And because in prior relief packages we had set very strict criteria that resulted in I think virtually every one of us getting complaints from our mayors and county executives and Governors

that we put too many restrictions on that money, we need to give them more flexibility. So we did that. I fully admit that I think the Ranking Member is right, some of the projects that have been funded, some of the uses that some localities have made of the funds certainly don't comply with the spirit of what we were doing, although they would make the argument that their budgets were impacted generally and these were things that, as one of our Republican colleagues said, money is fungible sometimes, and with state and local budgets it can be.

But we also gave hundreds of billions of dollars, allocated hundreds of billions of dollars to schools so that they could make the return to school safer and smoother for the students. And that there would be money available to do remedial education for students who had lost ground when they were out of the classroom for such a long period of time.

So, you know, I think it is really not fair to say that the American Rescue Plan wasn't actually all related to COVID, because it was the impact of COVID and not just the disease itself.

Just wanted to make that point.

And then the one thing I want to ask you is—because my Republican colleagues again talked about immigration a lot during this hearing and you and I have a common experience with immigration policy. In this Congress we spent six or seven months in 2013 every afternoon trying to write a comprehensive immigration reform bill. And, as a matter of fact, we did. And we had eight Members, four Republicans, four Democrats. And final analysis, seven of us signed off on it at the time. And the Senate had already passed a comprehensive immigration reform bill on a bipartisan basis earlier that year in 2013. And the Republican leadership of the House at that point was unable to take our proposal—or unwilling to take our proposal and put it before the membership. And we were fairly convinced—I think you would agree—if our package had gone before the House that it would have passed again on a bipartisan basis.

The only question I have of you, looking back to that time, is all of the problems we face in immigration right now—now all of them, but how do you think the current immigration situation would be if we had been able to pass that bipartisan proposal in 2013?

Secretary BECERRA. It would not be. And we would not be facing these circumstances had we passed that law. Because, as you recall, Mr. Chairman, it dealt with all components. It provided border enforcement in ways that were aggressive and smart, it provided for the needs of our industries and our communities when it came to how we would bring in immigrants into the future, and it provided for a rational way to deal with those who have been in this county for years, like the dreamers, and a way to rationalize how to address them. Some would get to stay, others would not. And I think if we had passed that law we would have had a rational approach to the border. And it makes it very difficult when you continue to see a broken immigration system wreak havoc on our policies.

Chairman YARMUTH. And after that experience—and I confess I came into that process way behind the curve on my understanding of immigration law. I don't still know why I was part of that group.

I think I was put there to be the answer to which one of these doesn't belong. But I do joke that actually Kentucky was a border state in the Civil War, that is how I got there.

But one of the things that occurred to me and, you know, I think you just said it essentially, is that this is not an optional exercise for this country to do a comprehensive immigration reform, it is mandatory. And the fact that we are not pursuing that aggressively is tragic and is exactly the reason that the problems we are facing now exist

Secretary BECERRA. And if—Chairman, if you would allow me, I would—the fact that we are going through this situation at the border because we don't have a system that lets us process individuals who make a claim for asylum in the appropriate way, it doesn't work. And when it doesn't work we are sending very mixed messages around the world. And we need to make it work because everyone looks at the U.S. as a place where things work.

Chairman YARMUTH. I appreciate that input.

And before we say goodbye to you, I just want to invite you, if the documentation that Mr. Cline is submitting comes, if you would like to view that, whatever documentation, and respond for the record, that would be great.

Secretary BECERRA. Appreciate that, Chairman.

Chairman YARMUTH. OK.

And with that, I will yield back the balance of my time.

And if there is no further business before the committee, I thank you again for your testimony and your service, and this hearing is adjourned.

Secretary BECERRA. Thank you.

[Whereupon, at 5:27 p.m., the Committee was adjourned.]

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CONGRESSWOMAN SHEILA JACKSON LEE OF TEXAS

COMMITTEE ON THE BUDGET
SECRETARY OF HHS

APRIL 6, 2022

- Thank you, Chairman Yarmuth and Ranking Member Smith for convening this hearing on the "Department of Health and Human Services' FY 2023 Budget" during which we will hear from the Honorable Secretary of Health and Human Services Mr. Xavier Becerra.

- Mr. Chairman, America has a great deal to be thankful for this year and much of it is owed to the work done by the Department of Health and Human Services professionals who help push back the threat of COVID-19; found a cure and provided essential services to sustain our nation's critical health care infrastructure.

- More than 216 million Americans—including more than 75 percent of adults—have been fully vaccinated as of March 2022, preventing hospitalizations and deaths from COVID-19 and combatting the Delta and Omicron variants. The latest CDC data

showing that gaps in vaccination rates among Latino, Black, and White adults have been effectively closed.

- Millions of doses of a highly effective pill to treat COVID-19 have been secured by the Administration.

- A record 14.5 million Americans signed up for health care coverage through federal and state-based Marketplaces during the 2022 Open Enrollment Period and 2.8 million Americans newly gained coverage during the 2021 Special Enrollment Period on HealthCare.gov. The ARP lowered costs and increased enrollment to record levels resulting in nearly six million Americans who have newly gained coverage under the Administration.

- Families saved an average of $2,400 on their annual health insurance premiums with 4 out of 5 consumers finding quality coverage for under $10 a month from expansion of health insurance subsidies through the Affordable Care Act (ACA).

- Nearly 700,000 rural Americans gained healthcare coverage through the ACA in 2021 alone.

- The administration invested $8.5 billion in rural payments to providers and suppliers who serve rural Medicaid, Children's Health Insurance Program, and Medicare beneficiaries to help them keep their doors open, address workforce challenges, and make up for the lost revenues and increased expenses caused by the pandemic.

- It also invested $3 billion in mental health and other behavioral health care – the largest aggregate amount of funding to date – by providing funds for the Community Mental Health Services Block Grant Program and Substance Abuse Prevention and Treatment Block Grant Program.

- Critically, the administration allotted $1 billion for TANF so that states, territories and tribes could provide immediate economic

relief to families with the lowest income meet increased expenses or debt due to the pandemic.

- $350 million has also been awarded to prevent and respond to child abuse and neglect during the pandemic, when families were experiencing increased hardship.

- Lastly, the administration has provided a key $39 billion for childcare providers and families needing help affording childcare during the health emergency.

- Mr. Chairman, the HHS has time and again shown it is fully capable of guaranteeing the American public's health in the face of great adversity. Thanks to the Administration's generous and well-deserved appropriation alongside the insightful leadership of Secretary Becerra, I am confident the agency will continue its great work.

- I look forward to hearing the Secretary's testimony and answers to responses to questions from all members of this subcommittee.

- Thank you, Mr. Chairman. I yield back.

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VICE CHAIR

April 6, 2022

Honorable Xavier Becerra
Secretary
Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Becerra,

Thank you for your time today testifying in front of the House Committee on the Budget to discuss the Department of Health and Human Services FY 2023 Budget. I am following up with some additional questions for the record in response to today's hearing:

- How many hospitals, to date, have received warning letters and/or corrective action plans for non-compliance? Of the letters that went out to non-compliant hospitals, how many responded?
- How many hospitals, who have had over 15 months to comply, have been issued a civil monetary penalty? If no fines have been issued, when do you expect to issue your first civil monetary penalty for non-compliance?
- Earlier this year, HHS issued a six-month delay in enforcement of the Transparency and Coverage rule. Will HHS commit that there will be no further delays and the enforcement of the Transparency and Coverage rule will go into effect on July 1st of this year?
- Will HHS further commit it will immediately post both compliant and non-compliant hospitals on its website and begin issuing fines to non-compliant hospitals immediately?

Thank you in advance for your consideration to this request. I look forwarding to your response and our continued joint efforts in the future.

Sincerely,

Brendan F. Boyle
Member of Congress

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Rep. Burgess
QUESTIONS

Secretary Becerra, the Biden Administration announced last week that they would suspend the CDC Title 42 authority to remove undocumented individuals at the border due to the public health emergency. This will most likely lead to a surge in undocumented individuals crossing our border, further straining Customs and Border Protection, Immigration and Customs Enforcement, and the Office of Refugee Resettlement.

How is the Administration preparing for the over one million immigrants who are projected to enter this country?

Secretary Becerra, opioid abuse and deaths continue to ravage this country. This crisis was made worse by the isolation required by the pandemic.

Can you confirm that fentanyl is the leading cause of death for Americans aged 18-45?

Are you aware that fentanyl is often laced with other substances such as heroin or meth?

What is the budget allocation proposed by President Biden for the National Institutes of

Health to address the addiction and overdose crisis?

Secretary Becerra, from personal experience as a physician, preventative care or early treatment is vital to prevent common health issues. Secretary Becerra, we cannot wait to address a significant source of the opioid crisis in this country.

Is the Administration committed to stopping and solving the flow of fentanyl through our southern border?

Secretary Becerra, I established the Physician led Technical Advisory Panel (or PTAC) at the Centers for Medicare and Medicaid Innovation (CMMI) so that the physician voice would be heard in the creation of new payment models. PTAC has recommended over a dozen models during its existence, yet it has often been ignored.

How does the President's budget ensure the Centers for Medicare and Medicaid Services will leverage the expertise of the PTAC to ensure CMMI is approving models in which providers will want to participate?

Secretary Becerra, the Medicare Hospital Insurance trust fund will be exhausted by 2026—within the current 10-year budget window. Without change, provider payments would have to be cut back by nearly 10 percent upon insolvency, which may lead many providers to scale back or end their participation in Medicare. I would like to point out that in combination with physician shortages, our country cannot deal with providers ending participation in the Medicare program.

Are you aware of the potential impacts on our public health system if the Medicare Hospital Insurance fund is exhausted?

Additionally, the programs' trustees projected that the combined Medicare and Social Security trust funds will be exhausted by 2034. We are running out of time to prevent sudden benefit cuts, tax increases, or higher deficits.

Does the President's budget account for this insolvency? Where?

Is the Administration committed to addressing Medicare insolvency?

Are you aware that failing to address this issue will affect 62 million beneficiaries as well as those who are close to retirement?

Secretary Becerra, you stated during the hearing that the National Institutes of Health does not fund Gain of Function research in adversarial countries. However, we have documentation released through Freedom of Information Act requests as well as grant applications for research at the Wuhan Institute of Virology that dispute your statement.

What efforts are you taking to be transparent with Congress about the federally funded research conducted by EcoHealth Alliance?

What efforts are you taking to ensure that no future federal funds go towards Gain of Function research in adversarial countries?

The Honorable Xavier Becerra
Secretary, Department of Health and Human Services

Questions from Congressman Byron Donalds

Wednesday, April 6, 2002 – **Full Committee on Department of Health and Human Services FY 2023 Budget**

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1. It's come to my attention that HHS' Children's Bureau (CB) is withholding Title IV-E funds for Florida to subgrant to the Statewide Guardian ad Litem Office (GAL) over questions about GAL ability to provide independent legal representation. This appears to be contrary to the operation of the Florida Statewide GAL and recent policy announcements by the CB recognizing the Florida model. Can you provide me with an explanation of why the Title IV-E funds are being withheld?

"HHS FY 2023 Budget"

Wednesday, April 6, 2022

Questions for the Record for the Honorable Xavier Becerra, HHS Secretary

Representative Ashley Hinson (IA-01)

Secretary Becerra, thank you for your testimony before the House Budget Committee and thank you in advance to your responsiveness to my questions.

1. Can you please explain why the Administration continues to request COVID-19 pandemic-related funding, while your Department is simultaneously attempting to reverse Title 42 at our Southern Border? Is there a continued threat to the health and safety of my constituents from COVID-19 or is there not?

2. Can you please explain why this budget request fails to include longstanding, bipartisan Hyde Amendment and Dornan Amendment protections to prevent taxpayers' money from funding elective abortions?

3. Do you propose to allow taxpayer dollars to fund elective abortions? Does President Biden's budget proposal allow for taxpayer funds to be awarded to Planned Parenthood?

4. What is the Administration doing to address price transparency concerns for both prescription drugs and the cost of care services rendered by providers?

5. How is the Administration prioritizing access to care for rural communities, like the ones I represent in Iowa?

6. Are you working with local providers and federally qualified health centers on innovative models to improve access to care in rural communities? If yes, please provide examples.

7. We share a common goal in supporting the expansion of telehealth services. Unfortunately, telehealth only works for my constituents if they also have access to rural broadband so they can get online to talk to their care providers. Can you please share how you are working across the Administration with other departments and agencies to ensure that telehealth opportunities are accessible to rural and under-connected communities?

Congressman Dan Kildee
Questions for the Record
House Budget Committee Hearing with Secretary Becerra
4.6.22

Question 1:

Many Members of Congress are supportive of moving Medicare toward paying for valuable care, instead of volume of care. We want to see the trend toward alternative payment models (APMs) continue. We appreciate that the FY 2023 Budget includes a $3.5 billion proposal to provide a 0.75% payment update to physicians participating in Medicare APMs and only a 0.25% update to those who are not in 2025, as there would otherwise be limited payment incentive for physicians in APMs that year.

While a step in the right direction, this isn't a complete solution for the fiscal problems facing physicians who treat patients with Medicare, as their annual updates would still be frozen for 5 years and even then, will not vary based on underlying economic conditions.

Can you describe other ways Congress and HHS could reform the current Medicare physician payment system in the short-term, such as by continuing the 5% bonus for Advanced APMs and the $500 million for exceptional Merit-based Incentive Payment System (MIPS) performers?

Question 2:

Secretary Becerra, you made comments last month that you hope to work with Congress on changes to the Medicare Physician Fee Schedule. More specifically, when asked by reporters whether HHS is interested in talking with Congress about physicians' push for reform of the Medicare Physician Fee Schedule, Inside Health Policy quoted you as saying, "I'm definitely interested because I remember those cliffs from when I was in Congress. We always have to deal with those. And now that we've seen what happens when you get COVID, and how important the health profession is, you never want folks thinking there may be a different profession for them down the line because they're just not making it where they are." In large part, Congress is still dealing with emergency measures to support physician payment each year. To help provide budgetary stability, physicians are asking Congress to authorize an annual payment update.

How can annual payment updates be beneficial to ensuring Medicare beneficiaries have continued access to physicians, to addressing workforce issues by retaining physicians in the profession, and to allowing independent physician practices to remain solvent? Can you describe how HHS can work with Congress to provide physicians with greater fiscal stability?

House Budget Committee
Rep. Peters
Full Committee Hearing: HHS FY23 Budget
Wednesday, April 6, 2022 at 2:00pm EST

Questions

- The President's budget request for HHS included $82B for a new mandatory pandemic preparedness fund. Will the funding for this initiative include any carveouts for advanced molecular detection, which help us detect diseases faster, identify outbreaks sooner, and protect people from evolving biothreats?

- How can Congress and your agency work to facilitate collaboration among states on genomic surveillance, so that we can all be better prepared when the next variant or the next pathogen arrive?

- This budget more than doubles the funding for Transition and Medical Services for refugees. Specifically, how will these funds be used will help resettle Afghan and Ukrainian refugees?

- California closed its open enrollment period at the end of January with 1.7 million new enrollees through Covered California. We know that federal pandemic response measures like the American Rescue Plan have enabled more than 350,000 new enrollees to participate in California's health exchange marketplace over the last two years.
    - How will you build on the Affordable Care Act and the American Rescue Plan in Fiscal Year 2023 to expand access to high-quality, affordable health insurance for families across the country and in San Diego?

House Budget Committee

FY 2023 Budget Request for the Department of Health and Human Services, April 6, 2022

Questions for the Record for Secretary Xavier Becerra

Submitted by Congressman Brendan Boyle

Hospital Transparency and Coverage Rule:

1. How many hospitals, to date, have received warning letters and/or corrective action plans for non-compliance? Of the letters that went out to non-compliant hospitals, how many responded?

2. How many hospitals, who have had over 15 months to comply, have been issued a civil monetary penalty? If no fines have been issued, when do you expect to issue your first civil monetary penalty for non-compliance?

3. Earlier this year, HHS issued a six-month delay in enforcement of the Transparency and Coverage rule. Will HHS commit that there will be no further delays and the enforcement of the Transparency and Coverage rule will go into effect on July 1st of this year?

4. Will HHS further commit it will immediately post both compliant and non-compliant hospitals on its website and begin issuing fines to non-compliant hospitals immediately?

Response to 1-4:
Increasing access to affordable health care is a top priority for the Biden-Harris Administration. That's why HHS is committed to ensuring that consumers have the information they need to make fully informed decisions regarding their health care.

Hospital price transparency helps people know what a hospital charges for the items and services it provides. Under CMS regulations, hospitals must post on their website a machine-readable file containing a list of all standard charges for the items and services they provide, as well as a consumer-friendly list of standard charges for at least 300 shoppable services. CMS expects hospitals to comply with these requirements, and is enforcing them to ensure people know what a hospital charges for items and services. In the Calendar Year (CY) 2022 Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems Final Rule (86 *Fed. Reg.* 63,458), CMS finalized modifications to the hospital price transparency regulations to increase compliance. The modifications became effective January 1, 2022 and include the use of a scaling factor to increase the amount of the civil money penalties based on hospital bed count. The regulations state that CMS will post the notice of imposition of a civil monetary penalty on its website.

Health plan price transparency helps consumers know the cost of a covered item or service before receiving care. On November 12, 2020, HHS, along with the Department of Labor and the

Department of the Treasury (the Departments), published in the Federal Register the Transparency in Coverage Final Rule (85 FR 72158) to require most group health plans and issuers of group or individual health insurance to disclose pricing information for covered items and services, including an estimate of the individual's cost-sharing liability for covered items or services furnished by a particular provider. In response to public comments about challenges developing the technical infrastructure necessary for plans to work with providers to fulfill these new requirements, the Departments delayed enforcement of some provisions from January 1, 2022 to July 1, 2022.

Beginning July 1, 2022, most group health plans and issuers of group or individual health insurance will begin posting pricing information for covered items and services. This pricing information can be used by third parties, such as researchers and app developers, to help consumers better understand the costs associated with their health care. HHS has been working closely with plans and issuers to ensure that they have the resources they need to be in compliance with these requirements by July 1. For plans and issuers that are subject to HHS's enforcement authority and do not comply, HHS may take several enforcement actions, including requiring corrective actions and/or imposing a civil money penalty up to $100 per day, adjusted annually under 45 CFR part 102, for each violation and for each individual affected by the violation.

More requirements will go into effect for plan or policy years beginning on or after January 1, 2023, and all requirements will go into effect for plan or policy years beginning on or after January 1, 2024, which will provide additional access to pricing information and enhance consumers' ability to shop for the health care that best meet their needs. By plan or policy years beginning on or after January 1, 2023, most group health plans and issuers of group or individual health insurance coverage are required to disclose personalized pricing information for covered items and services to their participants, beneficiaries, and enrollees through an online consumer tool, or in paper form, upon request. Cost estimates must be provided in real time based on cost-sharing information that is accurate at the time of the request.

HHS looks forward to working with its partners across the federal government, along with Congress and other stakeholders, to examine additional ways to increase price transparency across the health care industry and improve access to affordable coverage and services.

Submitted by Congressman Michael Burgess

Title 42:

Secretary Becerra, the Biden Administration announced last week that they would suspend the CDC Title 42 authority to remove undocumented individuals at the border due to the public health emergency. This will most likely lead to a surge in undocumented individuals crossing our border, further straining Customs and Border Protection, Immigration and Customs Enforcement, and the Office of Refugee Resettlement.

5. How is the Administration preparing for the over one million immigrants who are projected to enter this country?

Response:
CDC will provide technical assistance and guidance to the Department of Homeland Security, to implement additional COVID-19 mitigation procedures, including a program to provide COVID-19 vaccinations to age-eligible migrants. For more information regarding implementation of these procedures and its Plan for Southwest Border Security and Preparedness, please contact DHS.

The Office of Refugee Resettlement (ORR) reviews capacity needs throughout the year, based in part on historic data and DHS estimates. While the Title 42 Public Health Order has not applied to unaccompanied children since November 2020, the current projected referrals to ORR once the Title 42 Order is terminated remain high. The Department of Health and Human Services is also participating in the planning underway, led by the DHS Southwest Border Coordination Center, for a potential increase in migration following the termination of the Title 42 Public Health Order for families and single adults. Once ORR takes temporary custody of a child, we work to place the UC in a safe, healthy environment for the pendency of the child's immigration proceedings. ORR provides children with temporary shelter at standard facilities or at influx care facilities and emergency intake sites established to quickly and safety transfer them from DHS custody. ORR places the vast majority of children with a vetted sponsor, usually a parent or a close relative.

Opioid Abuse and Overdose Death:

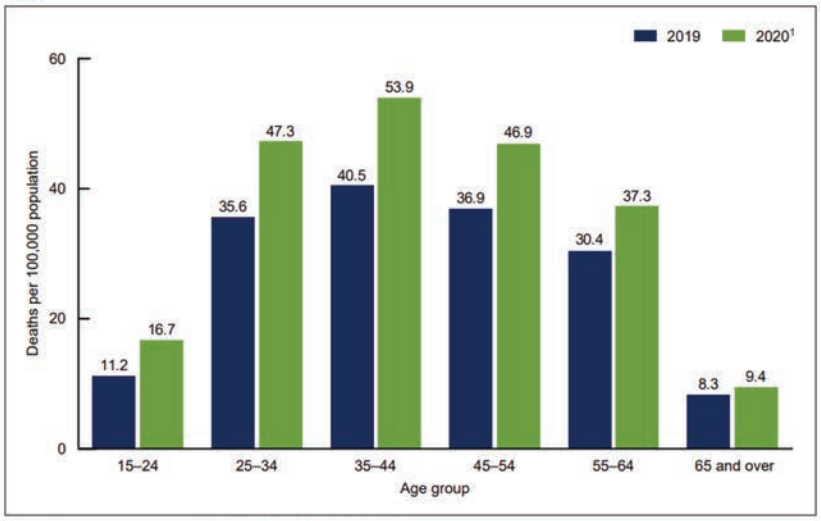
Secretary Becerra, opioid abuse and deaths continue to ravage this country. This crisis was made worse by the isolation required by the pandemic.

6. Can you confirm that fentanyl is the leading cause of death for Americans aged 18-45?

Response:
Based on the National Center for Health Statistics standard list of rankable causes of death, "Unintentional Injuries" was the leading cause of death among persons 18-45 in 2020. However, diving deeper we can see that "drug overdose" is the most common unintentional injury and

"other synthetic opioids," which includes fentanyl, were involved in the most drug overdose deaths.

Figure 2. Drug overdose death rates among those aged 15 and over, by selected age group: United States, 2019 and 2020



[1]Rates in 2020 were significantly higher than in 2019 for all age groups, $p < 0.05$.
NOTES: Drug overdose deaths are identified using the *International Classification of Diseases, 10th Revision* (ICD–10) underlying cause-of-death codes X40–X44, X60–X64, X85, and Y10–Y14. Access data table for Figure 2 at: https://www.cdc.gov/nchs/data/databriefs/db428-tables.pdf#2.
SOURCE: National Center for Health Statistics, National Vital Statistics System, Mortality.

7. Are you aware that fentanyl is often laced with other substances such as heroin or meth?

Response:
Yes.

8. What is the budget allocation proposed by President Biden for the National Institutes of Health to address the addiction and overdose crisis?

Response:
Approximately $2.6 billion in funding is proposed for FY 2023 to address opioid and pain research. At least $810 million is allocated for the HEAL Initiative and $1.8 billion is allocated for other opioids research. Please note that this number is not connected to a formal official FY 2023 Research, Condition, and Disease Categorization (RCDC) category and represents a blend of RCDC categorization and Institute and Center budget allocation data. Additionally, this number is subject to change and should not be considered official until the public release of NIH-wide figures via NIH RePORT.[1]

Secretary Becerra, from personal experience as a physician, preventative care or early treatment is vital to prevent common health issues. Secretary Becerra, we cannot wait to address a significant source of the opioid crisis in this country.

9. Is the Administration committed to stopping and solving the flow of fentanyl through our southern border?

Response: Yes, the Administration is committed to addressing this issue. While the Department of Homeland Security is leading the response, the Administration's National Drug Control Strategy utilizes a whole of government approach to address the issue.

CMMI:

Secretary Becerra, I established the Physician led Technical Advisory Panel (or PTAC) at the Centers for Medicare and Medicaid Innovation (CMMI) so that the physician voice would be heard in the creation of new payment models. PTAC has recommended over a dozen models during its existence, yet it has often been ignored.

10. How does the President's budget ensure the Centers for Medicare and Medicaid Services will leverage the expertise of the PTAC to ensure CMMI is approving models in which providers will want to participate?

Response:
Innovation is critical to advancing goals in health care, and the CMS Innovation Center is integral to the Administration's efforts to promote high-value care and encourage health care provider innovation. We have now had 10 years of experience to learn from at the Innovation Center, so we are able to understand what has worked and what hasn't, and chart a path forward from there. Getting input from physicians through the PTAC continues to be a critical part of this process to develop physician payment models. I will work with you to make sure we are pursuing models that recognize the strides providers have already made and improve our health care system.

Medical Hospital Insurance Trust Fund:

> Secretary Becerra, the Medicare Hospital Insurance trust fund will be exhausted by 2026—within the current 10-year budget window. Without change, provider payments would have to be cut back by nearly 10 percent upon insolvency, which may lead many providers to scale back or end their participation in Medicare. I would like to point out that in combination with physician shortages, our country cannot deal with providers ending participation in the Medicare program.

11. Are you aware of the potential impacts on our public health system if the Medicare Hospital Insurance fund is exhausted?

Additionally, the programs' trustees projected that the combined Medicare and Social Security trust funds will be exhausted by 2034. We are running out of time to prevent sudden benefit cuts, tax increases, or higher deficits.

12. Does the President's budget account for this insolvency? Where?

13. Is the Administration committed to addressing Medicare insolvency?

14. Are you aware that failing to address this issue will affect 62 million beneficiaries as well as those who are close to retirement?

Response to 11-14:
The President is committed to protecting and strengthening Medicare so that Americans of every generation can count on it. The President's budget proposes investments in Medicare that incentivize physician participation in value-based payment models designed to help drive down overall health care costs and improve patient outcomes by rewarding value and quality of care, rather than volume of physician services. The budget also proposes strengthening program integrity tools and authorities to identify and investigate fraud in services covered through the Medicare Advantage program, and enforcing new penalties on bad actors. Additionally, the budget invests in program integrity allocation adjustments that fight fraud, waste, and abuse in Medicare.

As we continue to make reforms that improve and strengthen Medicare, we should be looking to reduce costs, not benefits. HHS looks forward to working with you and the Congress to find bipartisan solutions to ensure that Medicare is strong for current and future beneficiaries.

Gain of Function Research:

Secretary Becerra, you stated during the hearing that the National Institutes of Health does not fund Gain of Function research in adversarial countries. However, we have documentation released through Freedom of Information Act requests as well as grant applications for research at the Wuhan Institute of Virology that dispute your statement.

15. What efforts are you taking to be transparent with Congress about the federally funded research conducted by EcoHealth Alliance?

Response:
HHS and NIH are committed to the highest levels of transparency, accountability, and fiscal stewardship in the research it supports. NIH is making every effort to be responsive to Congressional inquiries, GAO and OIG audits, as well as FOIA requests at the same time. As with all NIH grants, NIH conducted grant oversight regarding the award to EcoHealth Alliance (EHA) Grant R01AI110964 per standard practices to identify any concerns with the data generated by the research or any other issues that may emerge after the award is made.

NIH is in the process of conducting a compliance review of this grant, including ongoing requests for additional information (as authorized by 45 CFR 75.364 and 45 C.F.R. 75.322(d)). The fifth and final progress report for Grant R01AI110964, awarded to EHA, was submitted to NIH in August 2021 in response to NIH's compliance enforcement efforts. NIH held five briefings with Members of Congress in October 2021 to share the report and NIH's assessment of the report. In January 2022, NIH notified Congress that NIH had sent two additional letters to EHA. The first letter was to seek confirmation of whether EHA would be providing requested documentation. The second letter was the outcome of an administrative review NIH has been conducting to determine EHA compliance with NIH policies for its remaining active awards. The second letter requested a Corrective Action Plan (CAP) from EHA.

NIH will continue informing Congress as appropriate going forward regarding its grant oversight processes.

16. What efforts are you taking to ensure that no future federal funds go towards Gain of Function research in adversarial countries?

Response:

NIH supports research to better understand the characteristics of animal viruses that have the potential to spill over to humans and cause widespread disease. We collaborate with researchers in other countries where these sorts of viruses are prevalent because once a virus spreads to humans, it is not contained by geographical boundaries. This has helped us to assess the pandemic potential of emerging infectious pathogens, including coronaviruses that have caused SARS and MERS.

The term "gain of function" is broadly used in research, most commonly to describe a scientific experiment in which new attributes are given to an organism used in a study. Only a small fraction of "gain of function" research studies raise significant biosafety and biosecurity risks. The Recommended Policy Guidance for Departmental Development of Review Mechanisms for Potential Pandemic Pathogen Care and Oversight (P3CO)[2] outlines USG policy guidance for the oversight of Federally funded research that is anticipated to create, transfer, or use enhanced potential pandemic pathogens (ePPPs). A potential pandemic pathogen (PPP) is defined in this policy as a pathogen that is likely highly transmissible and likely capable of wide and uncontrollable spread in human populations; and likely highly virulent and likely to cause significant morbidity and/or mortality in humans. An ePPP is a PPP resulting from the enhancement of a pathogen's transmissibility and/or virulence. In accordance with this policy guidance, HHS uses this definition of ePPPs when assessing this subset of research that entails risks that are potentially significant enough to warrant additional oversight.

The USG policy guidance described above was developed by the White House Office of Science and Technology Policy (OSTP) following a comprehensive and public deliberative process with the explicit goal of developing a new federal policy framework to guide future investments in this area of research. In 2017, HHS published the U.S. Department of Health and Human Services Framework for Guiding Funding Decisions about Proposed Research Involving Enhanced Potential Pandemic Pathogens (HHS P3CO Framework).[3] The HHS P3CO Framework is responsive to and in accordance with the USG policy guidance, and guides HHS

funding decisions for research that is reasonably anticipated to create, transfer, or use ePPPs. All research proposals subject to the scope of the HHS P3CO Framework undergo review as outlined in the Framework. If funded, all institutions, whether foreign or domestic, are required to adhere to the terms and conditions of an award issued by the funding agency subsequent to HHS P3CO review. Beyond the HHS P3CO policy, research involving foreign institutions also require NIH Institute/Center Advisory Council approval and must undergo State Department clearance.

In February 2022, the National Science Advisory Board for Biosecurity (NSABB) was convened by HHS and charged by the Acting NIH Director to help the USG proactively review the scope and effectiveness of this framework to ensure that our biosecurity oversight framework keeps pace with the rapid advances in scientific research. To help inform these deliberations, NIH is hosting a series of listening sessions to hear stakeholder perspectives regarding USG oversight of research involving ePPPs. The first such meeting was held virtually in April 2022.

Submitted by Congressman Byron Donalds

Title IV-E:

17. It's come to my attention that HHS' Children's Bureau (CB) is withholding Title IV-E funds for Florida to subgrant to the Statewide Guardian ad Litem Office (GAL) over questions about GAL ability to provide independent legal representation. This appears to be contrary to the operation of the Florida Statewide GAL and recent policy announcements by the CB recognizing the Florida model. Can you provide me with an explanation of why the Title IV-E funds are being withheld?

Response:
In recognition of the evidence of the positive benefits of high quality legal representation for children and parents and its essential role in supporting a well-functioning child welfare system, CB issued revised and new policies in 2019 that allow title IV-E agencies to claim federal financial participation (FFP) at a rate of 50 percent for administrative costs of independent legal representation provided by attorneys representing children in title IV-E foster care, children who are candidates for title IV-E foster care, and their parents for "preparation for and participation in judicial determinations" in all stages of foster care legal proceedings. Previous policy prohibited the agency from claiming title IV-E administrative costs for legal services provided by an attorney representing a child or parent.

To claim legal representation costs, a title IV-E agency must submit for approval an amendment to its cost allocation plan, identifying procedures and methodologies for ensuring that costs claimed under title IV-E are only for allowable costs of independent legal representation provided to eligible children in foster care or who are candidates for IV-E foster care. Florida has submitted a cost allocation plan amendment which was reviewed by program and financial staff in the Administration for Children and Families and CB who provided comments and questions for response by the state. Responses to a number of questions are still pending with the State. As of March 2022, the Florida Department of Children and Families indicated that it was working with the office of the Guardian Ad Litem to respond to some of the questions. We in HHS appreciate the partnership that we share with Florida. We are committed to supporting Florida and all states in providing high quality, independent legal representation to children and parents involved with the child welfare system. In partnership, we will continue to work with the state to support them in being able to access federal resources to support legal representation, consistent with federal requirements and guidelines.

Submitted by Congresswoman Ashley Hinson

Title 42:

18. Can you please explain why the Administration continues to request COVID-19 pandemic-related funding, while your Department is simultaneously attempting to reverse Title 42 at our Southern Border? Is there a continued threat to the health and safety of my constituents from COVID-19 or is there not?

Response:
COVID-19 pandemic related funding is critical to maintain easy and equitable access to the public health tools developed during the first two years of the pandemic. Our investments in disease monitoring, data modernization, COVID-19 vaccines and supporting systems, and public health research have all contributed to reaching this new phase in the pandemic. However, as a nation, we are in a transitional state, and it is imperative that these tools remain readily available and accessible, while still allowing for the resumption of gration processing under Title 8.

In rescinding Title 42, CDC considered myriad factors specific to land border travel for covered noncitizens. For instance, in the months between the issuance of the August 2021 Order and now, U.S. Customs and Border Protection (CBP) has implemented a robust set of COVID-19 protocols (including testing upon intake for unaccompanied children (UC)) that have substantially reduced the potential for the spread of COVID-19 among UC in CBP and Office of Refugee Resettlement (ORR) facilities. Vaccination among the American workforce and the DHS workforce in particular has been successful and, as stated in the August Order, widespread vaccination of federal employees and personnel in congregate settings at ports of entry (POE) and U.S. Border Patrol stations is a critical step toward the normalization of border operations.

Additionally, since August 2021, vaccination rates in countries of origin have increased dramatically. Such increased global vaccination rates, as well as higher rates of infection-induced immunity globally, provide additional layers of protection. CDC will continue to provide assistance and guidance to interagency partners, including DHS, to ensure the health and safety of CBP officials, migrants in congregate facilities, and border communities.

Hyde/Abortion:

19. Can you please explain why this budget request fails to include longstanding, bipartisan Hyde Amendment and Dornan Amendment protections to prevent taxpayers' money from funding elective abortions?

Response:
The Hyde Amendment disproportionately impacts the growing number of low-income women of color who rely on Medicaid, and is a barrier to expanding access to health care. That is why the President's budget calls for Congress to remove the restriction from government spending bills.

The Department of Health and Human Services (HHS) implements the laws that Congress passes. Implementation of any changes in coverage related to the President's Budget would depend on the final language Congress passes.

20. Do you propose to allow taxpayer dollars to fund elective abortions? Does President Biden's budget proposal allow for taxpayer funds to be awarded to Planned Parenthood?

Response:
The Title X Family Planning Program, administered by the Office of Population Affairs (OPA) in the Office of the Assistant Secretary for Health (OASH), is the only federal grant program dedicated to providing individuals with comprehensive family planning and related health services. The Title X program does not provide abortion services. Section 1008 of the Public Health Service Act specifically states that "None of the funds appropriated under this title shall be used in programs where abortion is a method of family planning." Consistent with the program's statute and regulations, any public or private nonprofit organizations, entities, including faith-based organizations, state, county, local, and tribal governments, school districts, and public and state higher education institutions are eligible to apply for Title X grant funds. Title X's regulations also clearly define the criteria the Department uses to decide which family planning services projects to fund and in what amount.

Price Transparency:

21. What is the Administration doing to address price transparency concerns for both prescription drugs and the cost of care services rendered by providers?

Response:
Hospital price transparency helps people know what a hospital charges for the items and services it provides. CMS is committed to promoting and driving price transparency, and we take seriously concerns we have heard from consumers that hospitals are not making clear, accessible pricing information available online, as they have been required to do since January 1, 2021. In the Calendar Year 2022 Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems Final Rule (86 *Fed. Reg.* 63,458), CMS finalized the use of a scaling factor to increase the amount of the civil money penalty that can be imposed on a hospital that CMS determines to be out of compliance with the hospital price transparency regulations. Beginning January 1, 2022, for each day that a hospital is determined to be out of compliance, CMS set a minimum civil monetary penalty of $300 per day that will apply to smaller hospitals with a bed count of 30 or fewer, and a penalty of $10 per bed per day for hospitals with a bed count greater than 30, not to exceed a maximum daily dollar amount of $5,500. Under this approach, for a full calendar year of noncompliance, the minimum total penalty amount will be $109,500 per hospital, and the maximum total penalty amount will be $2,007,500 per hospital.

In addition, CMS finalized a policy in the Contract Year 2023 Medicare Advantage and Part D final rule in order to reduce beneficiary out-of-pocket costs and improve price transparency and market competition in the Medicare Part D program. In recent years, more Part D plans have

been entering into arrangements with pharmacies that may pay less money for dispensed drugs if pharmacies do not meet certain criteria. The negotiated price for a drug is the price reported to CMS at the point of sale, which is used to calculate beneficiary cost-sharing and generally adjudicate the Part D benefit. With the emergence of these payment arrangements, the negotiated price is frequently higher than the final payment to pharmacies. Higher negotiated prices lead to higher beneficiary cost-sharing and faster beneficiary advancement through the Part D benefit.

In the final rule, CMS finalized a policy that requires Part D plan sponsors to apply all price concessions they receive from network pharmacies to the negotiated price at the point of sale. Specifically, CMS is redefining the negotiated price as the lowest possible payment to a pharmacy, effective January 1, 2024. CMS is applying the finalized policy across all phases of the Part D benefit.

Additionally, beginning July 1, 2022, most group health plans and issuers of group or individual health insurance will be required to begin posting pricing information for covered items and services other than prescription drugs. Reporting on prescription drug pricing is also required by the Consolidated Appropriations Act of 2021, on a different timeline. This pricing information can be used by third parties, such as researchers and app developers, to help consumers better understand the costs associated with their health care. HHS has been working closely with plans and issuers to ensure that they have the resources they need to be in compliance with these requirements by July 1. For plans and issuers that are subject to HHS's enforcement authority and do not comply, HHS may take several enforcement actions, including requiring corrective actions and/or imposing a civil money penalty up to $100 per day, adjusted annually under 45 CFR part 102, for each violation and for each individual affected by the violation.

More requirements will go into effect for plan or policy years beginning on or after January 1, 2023, and all requirements will go into effect for plan or policy years beginning on or after January 1, 2024 which will provide additional access to pricing information and enhance consumers' ability to shop for the health care that best meet their needs. By plan or policy years beginning on or after January 1, 2023, most group health plans and issuers of group or individual health insurance coverage are required to disclose personalized pricing information for covered items and services to their participants, beneficiaries, and enrollees through an online consumer tool, or in paper form, upon request. Cost estimates must be provided in real time based on cost-sharing information that is accurate at the time of the request.

Rural Health:

22. How is the Administration prioritizing access to care for rural communities, like the ones I represent in Iowa?

Response:
The Administration is working to keep rural hospitals open, supporting rural providers, expanding rural health care coverage, and making it more affordable than ever, with nearly

700,000 rural Americans gaining coverage through the Affordable Care Act in 2021 alone and families saving an average of $2,400 per year due to the American Rescue Plan. Additionally, HHS is making $52 million from the American Rescue Plan available to train a range of health care workers to fill in-demand professions affected by the pandemic. Specifically, HHS is creating rural health networks by pairing together minority-serving institutions, community colleges, technical colleges, rural hospitals, Rural Health Clinics, community health centers, nursing homes and providers who treat substance use disorder.

CMS' goal is to develop programs and policies that ensure rural Americans have access to high quality care, support rural providers and not disadvantage them, address the unique economics of providing health care in rural America, and reduce unnecessary burdens in a stretched system to advance our commitment to improving health outcomes for Americans living in rural areas. CMS will work across programs to promote access to high-quality, equitable care for all people served by our programs in rural and frontier communities, Tribal nations, and the U.S. territories. By engaging with our stakeholders, including providers, quality improvement organizations, and those with lived experience, CMS will ensure our approach is responsive to their unique needs. CMS will build on previous efforts in consultation with the Rural Health Council to improve rural health care delivery, developing a comprehensive, cross-center strategy to advance health equity, expand access, and improve health outcomes. Additionally, CMS' Calendar Year 2022 Physician Fee Schedule final rule promotes greater use of telehealth and other telecommunications technologies for providing behavioral health care services. The final rule makes significant strides in expanding access to behavioral health care – especially for traditionally underserved communities – by eliminating geographic barriers and allowing patients in their homes to access telehealth services for diagnosis, evaluation, and treatment of mental health disorders. CMS is bringing care directly into patients' homes by providing certain mental and behavioral health services via audio-only telephone calls. This means counseling and therapy services, including treatment of substance use disorders and services provided through Opioid Treatment Programs, will be more readily available to individuals, especially in areas with poor broadband infrastructure. In addition, for the first time outside of the COVID-19 public health emergency, Medicare will pay for mental health visits furnished by Rural Health Clinics and Federally Qualified Health Centers via telecommunications technology, including audio-only telephone calls, expanding access for rural and other vulnerable populations.

HRSA has many programs that prioritize access to care for rural communities, including grants to rural communities in Iowa. Several of HRSA's rural community-based programs offer non-categorical funding that allow rural communities to propose and build a program in response to an area of need, such as the Rural Health Network Development, Rural Health Care Coordination, Rural Health Care Services Outreach. In FY 2022, HRSA will be awarding new programs under the Public Health Workforce Training Network program to expand the public health capacity by supporting health care job development, including around behavioral health. To support access to behavioral health needs within rural communities, the Rural Community Opioid Response Program provides funding for organizations to recruit, train, and retain interdisciplinary teams of health and social service providers to support behavioral health care interventions.

23. Are you working with local providers and federally qualified health centers on innovative models to improve access to care in rural communities? If yes, please provide examples.

Response:
The Administration is working to keep rural hospitals open, supporting rural providers, expanding rural health care coverage, and making it more affordable than ever, with nearly 700,000 rural Americans gaining coverage through the Affordable Care Act in 2021 alone and families saving an average of $2,400 per year due to the American Rescue Plan. Additionally, HHS is making $52 million from the American Rescue Plan available to train a range of health care workers to fill in-demand professions affected by the pandemic. Specifically, HHS is creating rural health networks by pairing together minority-serving institutions, community colleges, technical colleges, rural hospitals, Rural Health Clinics, community health centers, nursing homes and providers who treat substance use disorder

CMS' goal is to develop programs and policies that ensure rural Americans have access to high quality care, support rural providers and not disadvantage them, address the unique economics of providing health care in rural America, and reduce unnecessary burdens in a stretched system to advance our commitment to improving health outcomes for Americans living in rural areas. CMS will work across programs to promote access to high-quality, equitable care for all people served by our programs in rural and frontier communities, Tribal nations, and the U.S. territories. By engaging with our stakeholders, including providers, quality improvement organizations, and those with lived experience, CMS will ensure our approach is responsive to their unique needs. CMS will build on previous efforts in consultation with the Rural Health Council to improve rural health care delivery, developing a comprehensive, cross-center strategy to advance health equity, expand access, and improve health outcomes.

Rural providers, including federally qualified health centers are eligible to apply for the rural targeted funding to implement innovative models for improving access to care. HRSA supports efforts to take these innovative practices and share them with these innovative approaches as Evidence-Based Toolkits to provide information and resources for other communities looking to address access issues on topics such as maternal health, early childhood health promotion and diabetes prevention and management. These resources are available on the Rural Health Information HUB. One example funded through the Rural Health Care Services Outreach Grant Program, the Rural Virtual Infusion Program, allowed rural cancer patients in Iowa to have access to tertiary-level chemotherapy regimens in rural infusion centers. A rural infusion team, with telehealth-based oversight from a tertiary oncology team, coordinated cancer treatment and administered chemotherapy. This saved families time and money not having to travel.

Telehealth:

24. We share a common goal in supporting the expansion of telehealth services. Unfortunately, telehealth only works for my constituents if they also have access to rural broadband so they can get online to talk to their care providers. Can you please share how you are working across the Administration with other departments and agencies to ensure that telehealth opportunities are accessible to rural and under-connected communities?

Response:
Telehealth is an important tool to improve health equity and improve access to health care. Health care should be accessible, no matter where you live. It has been invaluable during this pandemic to keep patients, their providers and their families safe. The Biden-Harris Administration supports extending telehealth coverage under Medicare beyond the COVID-19 Public Health Emergency to study its impact on utilization of services and access to care. We will be taking a look at what flexibilities offered through the current public health emergency should be made permanent, what can be done administratively, and what needs legislation to continue on.

CMS is working to expand access to telehealth for those in rural or un-connected communities in a number of ways. CMS is making significant strides in expanding access to behavioral health care by eliminating geographic barriers and allowing patients in their homes to access telehealth services for diagnosis, evaluation, and treatment of mental health disorders. CMS is also bringing care directly into patients' homes by providing certain mental and behavioral health services via audio-only telephone calls. This means counseling and therapy services, including treatment of substance use disorders and services provided through Opioid Treatment Programs, will be more readily available to individuals, especially in areas with poor broadband infrastructure. In addition, for the first time outside of the COVID-19 public health emergency (PHE), Medicare will pay for mental health visits furnished by Rural Health Clinics and Federally Qualified Health Centers via telecommunications technology, including audio-only telephone calls, expanding access for rural and other vulnerable populations.

There are a number of efforts underway to help underserved communities and individuals utilize telehealth services through access to broadband internet connections. HRSA's Office for the Advancement of Telehealth serves as HHS's focal point on telehealth, which includes the management of the Telehealth.HHS.gov website and improving collaboration across HHS and federal agencies. For example, HRSA's Office for the Advancement of Telehealth leads a Rural Telehealth Initiative, established through a memorandum of understanding with HHS, the Federal Communications Commission, and the U.S. Department of Agriculture, to increase access to affordable broadband services, which is the foundation for improving access to telehealth services. HRSA's Office for the Advancement of Telehealth also supports grants such as a Telehealth Broadband Pilot Program to measure access to high-speed internet in rural and underserved communities as well as programs to support the provision of direct telehealth services, telementoring, research, licensure portability, and technical assistance to providers and patients through the Telehealth Resource Centers Program.

As with other healthcare providers across the country, the Indian Health Service (IHS) saw a tremendous increase in demand for and use of telehealth as a result of the COVID-19 pandemic. The ability to provide care remotely has been quite literally a lifesaver for so many of our patients. The realities of the digital divide are stark, however, and the vast majority of this virtual care has been via telephone only, principally because of connectivity, bandwidth, and the limited availability of smart devices in the communities we serve. These communities have long been challenged in achieving digital parity because of the high cost of deployment and

subsequent limited return on investment seen by the companies, often small in size, who are the providers of wired and cellular access. The IHS has been excited to see the historic investment in rural broadband included in the recent Bipartisan Infrastructure Law. As rural connectivity increases due to these funds, IHS looks forward to being able to expand reliable and robust telehealth services in Indian country in support of the IHS mission.

The IHS is working across the administration with other departments and agencies. The IHS stressed the importance of supporting audio-only telehealth based on the challenges and barriers the American Indian and Alaska Native (AI/AN) populations face. The IHS collaborated with the Federal Communications Commission (FCC) to learn more about the FCC's Lifeline Program and resources (training and funding) available for the AI/AN population, and communicated this information to federal, tribal, and urban Indian health program stakeholders.

Last year, the IHS organized a meeting with the FCC and the Dept. of Commerce National Telecommunications and Information Administration (NTIA). At the meeting, updates about the work taking place to improve rural broadband access and expand broadband connection in rural areas were discussed. Also, the NTIA received one billion dollars in Coronavirus Response and Relief Supplemental Appropriations Act stimulus money to support tribal broadband, including infrastructure and telehealth. The Consolidated Appropriations Act, 2021, PL 116-260 provides new sources of tribal broadband funding that can help mitigate the effects of the COVID-19 pandemic exacerbating the digital divide across Indian Country. The IHS also meets informally with Federal telehealth subject matter experts from AHRQ, ASPR, CDC, CMS, OASH, and NIH, to share the various telehealth work taking place and the resources available.

Finally, as we adjust to increased demands for telehealth services across the IHS, the agency is currently working to implement a new telehealth platform that is secure, cloud-based, and scalable. This clinical video telehealth solution will enable patient-to-provider and provider-to-provider telehealth care. It will provide enhanced access to care, improved patient safety, increased continuity of care, optimized clinical resources, increased quality of care, and ultimately patient satisfaction. It will also complement the current telehealth solution used in IHS, Webex FedRAMP Cloud.

Submitted by Congressman Dan Kildee

Medicare Physician Payment System:

Many Members of Congress are supportive of moving Medicare toward paying for valuable care, instead of volume of care. We want to see the trend toward alternative payment models (APMs) continue. We appreciate that the FY 2023 Budget includes a $3.5 billion proposal to provide a 0.75% payment update to physicians participating in Medicare APMs and only a 0.25% update to those who are not in 2025, as there would otherwise be limited payment incentive for physicians in APMs that year.

While a step in the right direction, this isn't a complete solution for the fiscal problems facing physicians who treat patients with Medicare, as their annual updates would still be frozen for 5 years and even then, will not vary based on underlying economic conditions.

25. Can you describe other ways Congress and HHS could reform the current Medicare physician payment system in the short-term, such as by continuing the 5% bonus for Advanced APMs and the $500 million for exceptional Merit-based Incentive Payment System (MIPS) performers?

Response:
The Biden-Harris Administration is committed to protecting and strengthening Medicare so that Americans of every generation can count on it. The budget proposes investments in Medicare that incentivize physician participation in value-based payment models designed to help drive down overall health care costs and improve patient outcomes by rewarding value and quality of care versus volume of physician services.

Medicare Physician Payment System:

Secretary Becerra, you made comments last month that you hope to work with Congress on changes to the Medicare Physician Fee Schedule. More specifically, when asked by reporters whether HHS is interested in talking with Congress about physicians' push for reform of the Medicare Physician Fee Schedule, Inside Health Policy quoted you as saying, "I'm definitely interested because I remember those cliffs from when I was in Congress. We always have to deal with those. And now that we've seen what happens when you get COVID, and how important the health profession is, you never want folks thinking there may be a different profession for them down the line because they're just not making it where they are." In large part, Congress is still dealing with emergency measures to support physician payment each year. To help provide budgetary stability, physicians are asking Congress to authorize an annual payment update.

26. How can annual payment updates be beneficial to ensuring Medicare beneficiaries have continued access to physicians, to addressing workforce issues by retaining physicians in the profession, and to allowing independent physician practices to remain solvent? Can you describe how HHS can work with Congress to provide physicians with greater fiscal stability?

Response:
The Biden-Harris Administration is committed to protecting and strengthening Medicare so that Americans of every generation can count on it. The budget proposes investments in Medicare that incentivize physician participation in value-based payment models designed to help drive down overall health care costs and improve patient outcomes by rewarding value and quality of care versus volume of physician services. HHS will continue to work to ensure that payments under the Medicare Physician Fee Schedule are implemented in accordance with the law while preserving beneficiary access.

Submitted by Congressman Scott Peters

Pandemic Preparedness:

27. The President's budget request for HHS included $82B for a new mandatory pandemic preparedness fund. Will the funding for this initiative include any carveouts for advanced molecular detection, which help us detect diseases faster, identify outbreaks sooner, and protect people from evolving biothreats?

Response:

The FY 2023 budget includes $81.7 billion in mandatory funding, available over five years, for pandemic preparedness efforts across several HHS operating divisions. Of this amount, $5.25 billion are proposed for CDC for domestic and global threat detection to include enhancements to domestic sentinel surveillance programs and global respiratory disease surveillance platforms, expansion of domestic and global wastewater surveillance, and investments in global genomic surveillance approaches. CDC will also transition and sustain genomic surveillance capacities initially developed for COVID-19 to support additional priority pathogens. Genomic sequencing is a core advanced molecular detection technology that supports CDC and the nation in finding, tracking, and stopping disease-causing pathogens faster than ever before.

CDC will continue expanding investments to build a public health system that optimizes the use of genomic sequencing to provide actionable data for public health impact. This includes support for state, local, and territorial health departments to build and enhance existing pathogen genomic capabilities, and training for epidemiologists, laboratorians, and bioinformaticians to use genomics data to its fullest potential in response to infectious disease threats. In addition, CDC is expanding investments in innovation initiatives – both internal and external to the agency – to discover and implement applications of genomics and bioinformatics as solutions to public health problems. Finally, in alignment with the Data Modernization Initiative, CDC is developing a national bioinformatics platform to share and analyze next-generation sequencing data between public health agencies and assist public health stakeholders to interpret the large volume of complex data.

If the FY23 request is funded at requested levels, ASPR would use funds to invest in the development of a number of advanced molecular detection technologies to help detect pathogens of pandemic potential faster. Specifically, ASPR would support the development of Next Generation Sequencing (NGS)-based diagnostics which have the potential to be used immediately following the identification of an emerging threat with pandemic potential. Based on availability of funds, ASPR would support investments in additional testing technologies for at-home use and for use in low-resource settings by minimally trained personnel. Lastly, traditional diagnostics would also be supported, in concert with pathogens identified for prototype vaccines. It is anticipated that tests will be developed with multiple manufacturers and on platforms across the spectrum of use to speed up the development of traditional diagnostics, should a novel disease emerge.

The NIH Rapid Acceleration of Diagnostics (RADx®) initiative has adjusted priorities to meet the changing needs of the pandemic and will continue leveraging its network and resources for pandemic preparedness as requested in the 2023 Budget. With approximately 900 partners from government, academia and the private sector, the network is poised to rapidly optimize and deliver technologies, including innovative molecular platforms, to meet these challenges.

From early expansion of laboratory molecular testing capacity, the RADx Tech program also produced at-home tests and developed screening and surveillance technologies. New priorities for diagnostics include rapid home and point-of-care tests that use advanced molecular testing platforms. Additionally, the RADx investment in SARS-CoV-2 testing can be leveraged to provide a springboard to readiness for other respiratory illnesses and new disease threats. These may include multiplexed influenza/respiratory syncytial virus (RSV)/SARS-CoV-2 tests.

28. How can Congress and your agency work to facilitate collaboration among states on genomic surveillance, so that we can all be better prepared when the next variant or the next pathogen arrive?

Response:
CDC is grateful for support from Congress for the Advanced Molecular Detection program, including both the $5 million increase in FY 2022 annual appropriations and the $1.7 billion in supplemental funding provided through the American Rescue Plan (ARP) Act of 2021.

The most effective way to prepare the United States to respond to the next infectious disease outbreak using genomic surveillance is to ensure that the entire U.S. public health system – including state and large local public health departments as well as Federal agencies – have capacity and ability to apply pathogen genomics in routine public health practice, in areas such as investigating foodborne disease outbreaks, controlling the spread of antimicrobial resistance, tracking influenza, or controlling tuberculosis. This improves health in the United States and puts the public health system in a position to respond rapidly to emerging infectious threats.

To this end, CDC is using the investments from ARP to further improve sequencing, analytic power, data-sharing, and education to help prepare communities, states, and the nation for future disease outbreaks, including over $415 million which has already been awarded to state, local, and territorial health departments to support sequencing activities. CDC has also announced a competitive funding opportunity for U.S. Pathogen Genomics Centers of Excellence. The Centers will consist of a health department and one or more academic institutions working together as a network to establish a platform to develop and identify relevant areas of genomics and related technologies, adapt them for use in public health, and pilot their application in real world settings. This network will also implement two other high-level strategies: educating the public health workforce, including bioinformaticians, microbiologists, and epidemiologists; and responding to infectious disease threats.

Refugees:

29. This budget more than doubles the funding for Transition and Medical Services for refugees. Specifically, how will these funds be used will help resettle Afghan and Ukrainian refugees?

Response:
The President's Budget is based on the assumptions that there will be 233,000 new arrivals eligible for ORR Transition and Medical Services (TAMS), including 125,000 refugees as well as asylees, Cuban/Haitian entrants, Special Immigrant Visa (SIV) holders, and victims of trafficking, in addition to those who arrive during FY 2022 and are receiving ongoing services from TAMS. The Presidential Determination for refugees for FY 2023 will be made at a later date.

The FY 2023 budget request is not based on services to either the Afghan humanitarian parolees under Operation Allies Welcome or Ukrainian humanitarian parolees. ACF received three supplemental appropriations to support services to humanitarian parolees from Afghanistan. The FY 2021 Emergency Security Supplemental Appropriations Act, 2021 (P.L. 117-31) provided $25 million for Afghan individuals granted special immigrant status. ACF distributed $20 million in FY 2021 among the ten states that each received more than 250 Afghan SIVs in FY 2019 and FY 2020. ACF awarded the remaining $5 million in FY 2022. The Afghanistan Supplemental Appropriation Act, 2022, (P.L. 117-43) provided $1.680 billion for Operation Allies Welcome, while the Additional Afghanistan Supplemental Appropriation Act, 2022, (P.L. 117-70) provided an additional $1.264 billion. ORR does not currently have authority to offer services to Ukrainian humanitarian parolees.

To the extent that Afghans or Ukrainians enter the United States as refugees via the U.S. Refugee Admissions Program in FY 2023, the TAMS funding requested in the Budget would serve these arrivals.

Affordable Care Act:

30. California closed its open enrollment period at the end of January with 1.7 million new enrollees through Covered California. We know that federal pandemic response measures like the American Rescue Plan have enabled more than 350,000 new enrollees to participate in California's health exchange marketplace over the last two years. How will you build on the Affordable Care Act and the American Rescue Plan in Fiscal Year 2023 to expand access to high-quality, affordable health insurance for families across the country and in San Diego?

Response:
The Administration has made it a priority to continue to strengthen the ACA. President Biden is committed to building on the progress made by the ACA by reducing premiums for the millions of Americans enrolled in Marketplace coverage and closing the Medicaid coverage gap, which would lead to four million uninsured people gaining coverage. Over 18.7 million adults are now covered across 39 states (including the District of Columbia) due to Medicaid expansion.

The Administration also recently announced a new Special Enrollment Period (SEP) opportunity for low-income consumers who are eligible for premium tax credits under the ACA and ARP with household incomes at or below 150% of the Federal Poverty Level (FPL), which is approximately $19,000 per year for an individual and $40,000 per year for a family of four in 2022. This 150% FPL SEP is available to consumers who live in states that use HealthCare.gov. State-based Marketplaces (SBMs) that operate their own eligibility and enrollment platforms also have the option to offer this SEP. In Marketplaces that use the HealthCare.gov platform, 45% of consumers who signed up for health coverage through the 2021 COVID SEP had household incomes at or below 150% of the FPL. This new SEP will make it easier for additional low-income people and households to enroll in Marketplace coverage throughout the year and benefit from the ACA and ARP savings.

HHS looks forward to working with its partners across the federal government, along with Congress and other stakeholders, to examine additional ways to improve access to affordable coverage and services.