

HHS OPERATING DIVISIONS

The HHS OPDIVs are presented in the descending order of their budget outlays (rounded) for FY 1999.

Health Care Financing Administration (HCFA)

HCFA is the largest purchaser of health care in the world. HCFA administers the Medicare and Medicaid programs, which provide health care coverage to about one in every four Americans. In FY 1998 a major new health insurance program for children was implemented cooperatively by HCFA and the states to provide health insurance, preventive health care, and other important health services to children in need.

Outlays for Medicare and Medicaid, including state funding, represent 33.7 cents of every dollar spent on health care in the United States. Medicare provides health insurance for 39.5 million elderly and disabled Americans. Medicaid, a joint federal-state program, provides health coverage for 41.9 million low-income persons (48% of enrollees are children). In FY 1999 the Federal matching rates for various State and local benefits costs averaged 57% and administration costs averaged 56%. Medicaid also pays for nursing home coverage for low-income elderly, covering almost half of total national spending for nursing home care. HCFA operates from Baltimore, MD, Washington, DC, and ten regional offices. HCFA was established in 1977, incorporating the pre-existing Medicare and Medicaid programs.

ADMINISTRATOR: NANCY-ANN MIN DePARLE

FY 1999 NET BUDGET OUTLAY: \$299 billion

FY 1999 CONSOLIDATED NET COST: \$294 billion

Administration for Children and Families (ACF)

ACF is responsible for almost 50 programs that promote the economic and social well being of families, children, individuals, and communities. With its partners, ACF administers the new state-federal welfare reform program, Temporary Assistance to Needy Families (TANF) providing assistance to an average of 6.88 million persons monthly as of June, 1999. ACF administers the national child support enforcement system collecting some \$14.4 billion in 1998 in payments from non-custodial parents referred for collection follow-up. It also administers the Head Start program serving around 835,000 pre-school children.

ACF provides funds to assist low-income families in paying for childcare and supports state programs to provide for foster care and adoption

assistance. It also funds programs to prevent child abuse and domestic violence. ACF is organized into 8 program offices and five staff offices that operate in Washington, DC and ten regional offices. Five regions also act as hub sites for activities that affect several regions. ACF was established in 1991, bringing together several pre-existing programs.

ASST. SECRETARY FOR CHILDREN AND FAMILIES:

OLIVIA A. GOLDEN, Ph.D.

FY 1999 NET BUDGET OUTLAY: \$33.6 billion

FY 1999 CONSOLIDATED NET COST: \$35.6 billion

National Institutes of Health (NIH)

NIH is the world's premier medical research organization supporting some 35,000 research projects nationwide in diseases such as cancer, Alzheimer's, diabetes, arthritis, heart ailments, and AIDS. The NIH consists of 25 Institutes and Centers (ICs) that improve the health of all Americans by advancing medical knowledge and sustaining the nation's medical research capacity in disease diagnosis, treatment, and prevention. More than \$8 out of every \$10 appropriated to NIH flows out to the scientific community at large. NIH's research activities extend from basic research that explores the fundamental workings of biological systems, to studies that examine disease and treatments in clinical settings, to prevention, and to population-based analyses of health status and needs.

To accomplish its mission and these research activities NIH provides scientific leadership and establishes research priorities, funds the best research in the scientific community at large, conducts leading-edge research in NIH laboratories, effectively disseminates scientific results and information, facilitates the development of health-related products, ensures a continuing supply of well-trained laboratory and clinical investigators, sustains the nation's research facilities, and collaborates with other federal agencies. NIH is located in and near Bethesda, MD. NIH was established in 1887, as the Hygienic Laboratory, Staten Island, NY.

DIRECTOR: HAROLD E. VARMUS, M.D. (until January 1, 2000)

FY 1999 NET BUDGET OUTLAY: \$13.8 billion

FY 1999 CONSOLIDATED NET COST: \$14.4 billion

Health Resources and Services Administration (HRSA)

HRSA is the nation's health safety net provider; HRSA improves the nation's health by assuring equitable access to comprehensive, quality health care for all. HRSA and their state, local, and other partners, work to eliminate barriers to care and eliminate health

disparities for the estimated 44 million Americans who are underserved, vulnerable, and special need populations. They also assure that quality health care professionals and services are available.

HRSA works to decrease infant mortality and improve maternal and child health. It provides services to people with AIDS through the Ryan White CARE Act programs and oversees the organ transplantation and bone marrow donor systems. HRSA also works to build the health care workforce and maintains the National Health Service Corps. HRSA uses a structure of four bureaus, centers, and special policy and support offices to accomplish its mission. Its headquarters are in Rockville, Md. HRSA was established in 1982, bringing together several pre-existing programs.

ADMINISTRATOR: CLAUDE EARL FOX, M.D., M.P.H.
FY 1999 NET BUDGET OUTLAY: \$3.86 billion
FY 1999 CONSOLIDATED NET COST: \$4.1 billion

Centers for Disease Control and Prevention (CDC) and the Agency for Toxic Substances and Disease Registry (ATSDR)

CDC is the "Nation's Prevention Agency"; it is the lead federal agency responsible for promoting health and quality of life by preventing and controlling disease, injury, and disability. CDC helps to save lives and health costs by working with partners throughout the nation and the world to monitor health, detect and investigate health problems, conduct research to enhance prevention, develop and advocate sound health policies, implement prevention strategies, promote healthy behaviors, foster safe and healthy environments, and provide public health leadership and training.

CDC is well known for its response to disease outbreaks and health crises worldwide. CDC's personnel are stationed in its national headquarters in Atlanta, in 18 locations throughout the United States and territories, and in more than 37 foreign countries and in 47 state health departments, and numerous local health agencies. CDC also provides immunization services and national health statistics. CDC was established in 1946, as the Communicable Disease Center.

DIRECTOR: JEFFREY P. KOPLAN, M.D., M.P.H.
FY 1999 NET BUDGET OUTLAY: \$2.4 billion
FY 1999 CONSOLIDATED NET COST: \$2.6 billion (including ATSDR)

ATSDR helps to prevent exposure and adverse human health effects and diminished quality of life associated with exposure to hazardous substances. ATSDR is a unique component of HHS

because it is funded and therefore accountable for those funds through the EPA Superfund account. However, ATSDR reports to the Director of CDC because of its complementary functions. Because of this the CDC financial statements include ATSDR. ATSDR conducts public health assessments, health studies, surveillance activities, and health education training in communities around waste sites on the U.S. Environmental Protection Agency's National Priorities List. ATSDR also has developed toxicological profiles of hazardous chemicals found at these sites. ATSDR's headquarters are in Atlanta, GA. ATSDR was established in 1980.

ASST. ADMINISTRATOR: HENRY FALK, M.D.

FY 1999 NET BUDGET OUTLAY: \$72.9 million (reported through EPA)

FY 1999 CONSOLIDATED NET COST: \$ 75.5 million

Substance Abuse and Mental Health Services Administration (SAMHSA)

SAMHSA works to improve the quality and availability of substance abuse prevention, addiction treatment, and mental health services. There are conservatively estimated to be over 51 million adults and 8 million children that experience some form of mental disorder. An estimated 13.6 million Americans are current users of illicit drugs in 1998. SAMHSA provides funding through block grants to states for direct substance abuse and mental health services, including treatment for over 340,000 Americans with serious substance abuse problems. It helps improve substance abuse treatment through its Knowledge Development and Applications grant program.

SAMHSA also monitors the prevalence and incidence of substance abuse and mental illness. SAMHSA carries out its work through 3 centers and 6 offices that coordinate effort on certain special issues. SAMHSA headquarters are in Rockville, Md. SAMSHA was established in 1992. (A predecessor agency, the Alcohol, Drug Abuse and Mental Health Administration, was established in 1974.)

ADMINISTRATOR: NELBA R. CHAVEZ, PH.D

FY 1999 NET BUDGET OUTLAY: \$2.2 billion

FY 1999 CONSOLIDATED NET COST: \$2.3 billion

Indian Health Service (IHS)

The IHS is the principal Federal health care provider and health advocate for Indian people, who experience the lowest life expectancies in the country for both men and women. In partnership with American Indians and Alaska Natives from more than 557 federally recognized Tribes, IHS's mission is to raise the

physical, mental, social, and spiritual health of American Indians and Alaska Natives to the highest level. IHS and the Indian Tribes serve 1.5 million American Indians and Alaska Natives through direct delivery of local health services.

The IHS funds 49 hospitals, 209 health centers, 6 school health centers, and 279 health stations, which are administered by Indian Tribes or IHS itself. There are also 34 health programs operated by urban Indian Health Organizations that provide various services to American Indians and Alaska Natives living in urban areas of the country. When unavailable from IHS or the Indian Tribes, medical services are also purchased from other providers to ensure that needed care is received. IHS headquarters are in Rockville, MD, and its twelve area offices are further divided into service units for reservations or a population concentration. IHS was established in 1924 (mission transferred from the Department of Interior in 1955.)

DIRECTOR: MICHAEL H. TRUJILLO, M.D., M.P.H., M.S.

FY 1999 NET BUDGET OUTLAY: \$2.2 billion

FY 1999 CONSOLIDATED NET COST: \$2.2 billion

Food and Drug Administration (FDA)

FDA is one of our nation's oldest consumer protection agencies.

It assures the safety of foods and cosmetics, and the safety and efficacy of human and animal drugs, biological products (vaccines and blood products), and medical devices - products that represent 25 cents out of every dollar in U.S. consumer spending. To carry out this mandate, FDA monitors the manufacture, import, transport, storage, and sale of \$1 trillion worth of products each year. The average cost of this effort to the taxpayer is about \$3 per person.

FDA's primary strategy is to ensure that safety is built into a product before a product goes on the market and that products are honestly and informatively labeled. Sound scientific analysis, regulatory standards, and communication help to ensure that industry does this. The standards are also enforced in postmarket surveillance. FDA operations are headquartered in Rockville, MD and are organized into six centers and five regions throughout the United States to accomplish its purpose. FDA was established in 1906.

COMMISSIONER: JANE E. HENNEY, M.D.

FY 1999 NET BUDGET OUTLAY: \$950 million

FY 1999 CONSOLIDATED NET COST: \$1.0 billion

Administration on Aging (AoA)

AoA is the federal focal point devoted exclusively to representing the needs and concerns of older people and their families and the policy and program development, planning, and service delivery to those persons in need. Through a nationwide service delivery infrastructure, AoA funds are leveraged to deliver comprehensive in-home and community services, including approximately 240 million meals for older individuals each year. AoA funds also make legal services, counseling and ombudsmen programs available to elderly Americans. AoA accomplishes this mission in collaboration with its partners – state and area agencies on aging, Tribal organizations, and the providers of services that comprise the aging network. AoA headquarters are in Washington, DC. AoA was established in 1965.

ASSISTANT SECRETARY FOR AGING:

JEANETTE C. TAKAMURA, Ph.D.

FY 1999 NET BUDGET OUTLAY: \$879 million

FY 1999 CONSOLIDATED NET COST: \$923 million

Program Support Center (PSC)

PSC is a self-supporting operating division of the Department that provides administration services for HHS and other federal agencies. The PSC is organized to provide competitive services on a service-for-fee basis in three key areas: financial management, human resources, and administrative operations. PSC provides these services to at least 13 other executive branch departments, 18 independent federal agencies, and the General Accounting Office. Activities and services of PSC are supported through the HHS Service and Supply revolving fund. Though PSC's services are fee-based and self-sustaining, the Statement of Net Cost shows the largest cost is for Retirement Pay and Medical Benefits for Commissioned Officers. PSC is located in Rockville, MD. PSC was established in 1995 as a business enterprise from various administrative support units of HHS.

DIRECTOR: LYNNDA M. REGAN

FY 1999 NET BUDGET OUTLAY: \$280 million - Reimbursable.

FY 1999 CONSOLIDATED NET COST: \$717 million

Agency for Health Care Policy and Research (AHCPR)

AHCPR acts as the catalyst for improving the quality, effectiveness, accessibility, and cost of health care as a result of its research and sharing of information. AHCPR conducts and supports the research needed to guide decisionmaking and improvements in both clinical care and the organization and financing of health care. AHCPR also promotes the incorporation of its and other research-based information into effective choices and treatment

in health care by developing tools for public and private decisionmakers and by broadly disseminating the results of the research.

Recent legislation in December 1999 changed the name of Agency for Health Care Policy and Research to the Agency for Healthcare Research and Quality (AHRQ). AHCPR/AHRQ operates six centers as well as its special policy and information offices. AHCPR is located in Rockville, MD. AHCPR/AHRQ was established in 1989.

DIRECTOR: JOHN M. EISENBERG, M.D.

FY 1999 NET BUDGET OUTLAY: \$79 million

FY 1999 CONSOLIDATED NET COST: \$174 million



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