



DEPARTMENT of HEALTH and HUMAN SERVICES

**Fiscal Year
2018**

General Departmental Management
Office of Medicare Hearings and Appeals
Office for Civil Rights
National Coordinator for Health Information Technology
Health Insurance Reform Implementation Fund
Nonrecurring Expenses Fund
Service and Supply Fund
Retirement Pay & Medical Benefits for Commissioned Officers
HHS General Provisions

**Justification of Estimates for
Appropriations Committees**

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DEPARTMENTAL MANAGEMENT

	FY 2018	
	FTE	Budget Authority
General Departmental Management	997	304,501,000
Proposed Mandatory Funding – Departmental Appeals Board	14	2,000,000
Pregnancy Assistance Fund	2	25,000,000
PHS Evaluation Set-Aside – Public Health Service Act	141	57,465,000
HCFAC ¹	34	10,000,000
<i>GDM Program Level²</i>	<i>1,188</i>	<i>398,966,000</i>
Office of Medicare Hearings and Appeals	725	117,177,000
Proposed Mandatory Funding	255	125,000,000
Office of Civil Rights	162	32,530,000
Office of the National Coordinator for Health IT	164	38,381,000
Service and Supply Fund	1,049	0
TOTAL, Departmental Management	3,543	712,054,000

¹ The reimbursable program (HCFAC) in the General Department Management (GDM) account reflects estimates of the allocation account for 2018. Actual allocation will be determined annually.

² The GDM Program Level does not include estimate reimbursable budget authority and associated FTE, unless otherwise indicated.

INTRODUCTION

The FY 2018 Congressional Justification is one of several documents that fulfill the Department of Health and Human Services' (HHS) performance planning and reporting requirements. HHS achieves full compliance with the Government Performance and Results Act of 1993 (GPRA) and Office of Management and Budget Circulars A-11 and A-136 through the HHS agencies' FY 2018 Congressional Justifications and Online Performance Appendices, the Agency Financial Report, and the HHS Citizens' Report. These documents are available at <http://www.hhs.gov/budget>.

The FY 2018 Congressional Justifications and accompanying Online Performance Appendices contain the updated FY 2018 Annual Performance Report and FY 2018 Annual Performance Plan. The Agency Financial Report provides fiscal and high-level performance results. The Summary of Performance and Financial Information summarizes key past and planned performance and financial information.



*Message from the Assistant Secretary
for Financial Resources*

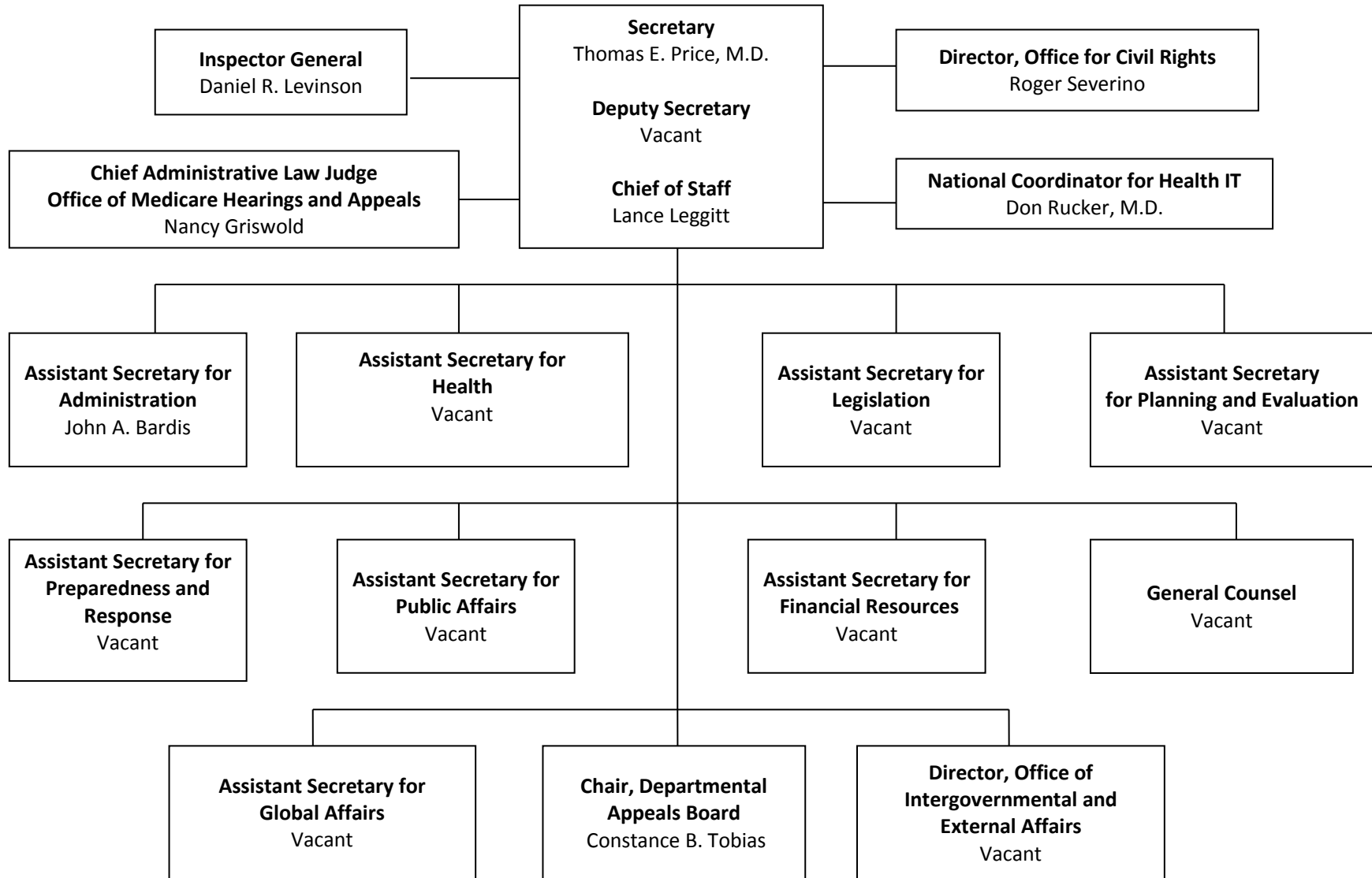
I am pleased to present the Congressional Justification for Departmental Management activities within the Office of the Secretary. This Budget request represents the Administration's priorities for guiding the Department of Health and Human Services (HHS) to enhance the health and well-being of all Americans by providing access to quality, affordable health care and human services programs.

The Budget request supports the Secretary in his role as chief policy officer and general manager of HHS. The request totals \$712 million. The request will ensure the Secretary's ability to successfully manage the Department while increasing accountability in oversight functions and improving the transparency of information and decision-making. The request increases funding for the Office of Medicare Hearings and Appeals to support critical initiatives intended to improve the Medicare appeals process. The Office of the National Coordinator for Health IT (ONC) budget request will allow ONC to continue responding to the evolving health IT landscape.

The Secretary looks forward to working with the Congress toward the enactment and implementation of an FY 2018 Budget.

Jen Moughalian
Acting, Assistant Secretary for Financial Resources

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE SECRETARY**



ORGANIZATIONAL CHART: TEXT VERSION

Department of Health and Human Services

- Secretary Thomas E. Price
 - Deputy Secretary Vacant
 - Chief of Staff Lance Leggitt

The following offices report directly to the Secretary:

- Inspector General
 - Daniel R. Levinson
- Chief Administrative Law Judge of the Office of Medicare Hearings and Appeals
 - Nancy Griswold
- Director of the Office for Civil Rights
 - Roger Severino
- National Coordinator for Health Information Technology
 - Don Rucker, M.D.
- Assistant Secretary for Administration
 - John A. Bardis
- Assistant Secretary for Health
 - Vacant
- Assistant Secretary for Legislation
 - Vacant
- Assistant Secretary for Planning and Evaluation
 - Vacant
- Assistant Secretary for Preparedness and Response
 - Vacant
- Assistant Secretary for Public Affairs
 - Vacant
- Assistant Secretary for Financial Resources
 - Vacant
- General Counsel
 - Vacant
- Assistant Secretary for Global Affairs
 - Vacant
- Chief of the Departmental Appeals Board
 - Constance B. Tobias
- Director of the Office of Intergovernmental and External Affairs
 - Vacant

DEPARTMENTAL MANAGEMENT OVERVIEW

Departmental Management (DM) is a consolidated display that includes the Office of the Secretary (OS) activities funded under the following accounts:

- General Departmental Management (appropriation);
- Office of Medicare Hearings and Appeals (appropriation);
- Office of Civil Rights (appropriation);
- Office of the National Coordinator for Health Information Technology (appropriation); and
- Service and Supply Fund (revolving fund).

The mission of OS is to provide support and assistance to the Secretary in administering and overseeing the organization, programs, and activities of the Department of Health and Human Services.

The overall FY 2018 Budget request for DM totals \$712,054,000 in program level funding, including 3,543 full-time equivalent (FTE) positions, a decrease of -\$44,202,000 below the FY 2017 Annualized Continuing Resolution (CR) Level.

The **General Departmental Management (GDM)** appropriation supports those activities associated with the Secretary's roles as chief policy officer and general manager of the Department in administering and overseeing the organization, programs, and activities of HHS. These activities are carried out through eleven Staff Divisions (STAFFDIVs), including the Immediate Office of the Secretary, the Departmental Appeals Board, and the Offices of public affairs, legislation, planning and evaluation, financial resources, administration, intergovernmental and external affairs, general counsel, global affairs, and the assistant secretary for health. For FY 2018, the GDM Budget includes a total of \$304,501,000 in budget authority and 997 FTE.

The **Office of Medicare Hearings and Appeals (OMHA)** was created in response to the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA). As mandated by MMA, OMHA opened its doors on July 1, 2005, to hear Medicare appeals at the Administrative Law Judge (ALJ) level, for cases under titles XVIII and XI of the Social Security Act. OMHA is funded from the Medicare Hospital Insurance and Supplemental Medical Insurance Trust Funds. For FY 2018 OMHA is requesting a total of \$242,177,000 and 980 FTE. Of this amount, \$125,000,000 and 255 FTE will be provided through proposed mandatory funding. The request will help support critical initiatives intended to improve the Medicare appeals process by allowing the addition of up to 106 ALJ teams. The budget will also allow OMHA to expand its alternative dispute resolution initiatives by allowing for the addition of attorney adjudicators and settlement conference facilitators who will increase the agency's disposition capacity.

The **Office of Civil Rights (OCR)** is the primary defender of the public's right to privacy and security of protected health information and the public's right to non-discriminatory access to Federally-funded health and human services. For FY 2018 President's Budget, OCR is requesting a total of \$32,530,000 in budget authority and 162 FTE.

The **Office of the National Coordinator for Health Information Technology (ONC)** was authorized by the Health Information Technology for Economic and Clinical Health Act, signed by President Obama on February 17, 2009. ONC became operational on August 19, 2005, in response to Executive Order 13335, signed on April 27, 2004. For FY 2018 President's Budget, ONC requests \$38,381,000 and 164 FTE, to coordinate national efforts related to the implementation and use of electronic health information exchange.

The **Service and Supply Fund** (SSF), the HHS revolving fund, is composed of two components: the Program Support Center (PSC) and the Non-PSC activities. For FY 2017 Annualized CR Level the SSF is projecting total revenue of \$1,477,271,018 and usage of 1,036 FTE.

**DEPARTMENTAL MANAGEMENT
BUDGET BY APPROPRIATION**

(Dollars in thousands)

Details	FY 2016 Final	FY 2017 Annualized CR	FY 2018 President's Budget
General Departmental Management	456,009	\$455,142	\$304,501
Proposed Mandatory Funding	-	-	\$2,000
Pregnancy Assistance Fund	\$23,300	\$23,256	\$25,000
PHS Evaluation Funds	\$64,828	\$64,705	\$57,465
HCFAC Funds¹	\$7,550	\$7,000	\$10,000
<i>Subtotal, GDM Program Level</i>	<i>\$551,687</i>	<i>\$550,103</i>	<i>\$398,966</i>
Office of Medicare Hearings and Appeals	\$107,381	\$107,177	\$117,177
Proposed Mandatory Funding	-	-	\$125,000
Office of Civil Rights	\$38,798	\$38,724	\$32,530
Office of the National Coordinator for Health Information Technology	\$60,367	\$60,252	\$38,381
Total, Departmental Management	\$758,233	\$756,256	\$712,054

¹ The reimbursable program (HCFAC) in the General Department Management (GDM) account reflects estimates of the allocation account for 2018. Actual allocation will be determined annually.