ONE HUNDRED EIGHTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM

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May 1, 2003

The Honorable Tommy G. Thompson
Secretary of Health and Human Services
Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Mr. Secretary:

The deadly worldwide spread of Severe Acute Respiratory Syndrome (SARS) highlights the importance of a strong public health system to our nation's safety and security. Yet our public health infrastructure is in a state of profound disrepair, and the Administration's current funding plan falls far short of what is needed to fix it.

At this crucial moment, the President's FY 2004 budget would actually cut spending for epidemic control and infectious disease surveillance, as well as overall funding for the Centers for Disease Control and Prevention (CDC). In total, these cuts would exceed $100 million, including $11.5 million from CDC's Infectious Disease Control Program, $1.3 million from CDC's Epidemic Services and Response Program, and $39.4 million from CDC's public health improvement projects such as the National Electronic Disease Surveillance System and critical workforce training programs.

I urge you to work with me and other interested members of Congress to reinvest in the public health infrastructure so that SARS and other public health and bioterrorist threats do not take a terrible and unnecessary toll on America's citizens.

A Public Health System in Disrepair

Let me state at the outset that the CDC's response to the SARS epidemic is deserving of the highest praise. Once it was clear a new disease was sweeping the world, the agency moved to the highest levels of alert and quickly assumed a leading role in identifying the causative agent (a new coronavirus) and curtailing transmission. CDC's communications to the public and Congress on SARS have been clear and forthcoming.

The success of CDC so far in the SARS epidemic is all the more remarkable given the underlying weaknesses in our nation's ability to respond to epidemic infectious disease. In fact, the relative safety of the United States from the SARS epidemic risks creating a false sense of security about our nation's preparedness. In the past six months, alarm bells on our nation's public health system have rung loudly:

- In November 2002, the Institute of Medicine released a major report on the state of the U.S. public health system. This report found that "the governmental public health infrastructure has been neglected, and an overhaul of its components (e.g., workforce, laboratories . . .) is needed to ensure quality of services and optimal performance."[1]

- In December 2002, the HHS Inspector General assessed the bioterrorism preparedness of 12 state and 36 local health departments and found multiple deficiencies in core public health functions. The report found that surveillance systems were often weak, many departments did not have the staff and technology needed to support an investigation, and many departments did not have the capacity to communicate on a 24-hour, 7-day-a-week basis.[2]

- In March 2003, the Institute of Medicine documented numerous gaps in the U.S. response to emerging microbial threats to health. The report found that the U.S. public health infrastructure is in disrepair, as many states and localities face staffing shortages for qualified personnel, and surveillance and communication systems are frequently inadequate. The report also found that "[u]pgrading current public health capacities will require considerably increased investments across different levels of government."[3]

- On April 7, 2003, the General Accounting Office issued a report on bioterrorism preparedness at the state and local levels that also addressed deficiencies in core public health functions. The report found "gaps and weaknesses in capacity elements essential to preparedness and response, such as workforce shortages and inadequate laboratory facilities." GAO also noted that state and local officials lack guidance from the federal

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[1]Institute of Medicine, *The Future of the Public's Health in the 21st Century* (Nov. 2002) (emphasis added).

[2]HHS Inspector General, *State and Local Bioterrorism Preparedness* (Dec. 2002).

[3]Institute of Medicine, *Microbial Threats to Health: Emergence, Detection, and Response* (Mar. 2003).

government on what they need to do to be prepared and could benefit from a coordinated mechanism for sharing effective strategies.[4]

- On April 9, 2003, the General Accounting Office presented before the Government Reform Committee the results of a survey of 2,000 hospitals on preparedness for an outbreak like SARS. GAO found that "[m]ost hospitals lack adequate equipment, isolation facilities, and staff to treat a large increase in the number of patients for an infectious disease." GAO identified large gaps in equipment, supplies, and medical personnel.[5]

The Administration's Response

Despite the overwhelming evidence that our public health system needs rebuilding, and despite the urgent challenge posed by SARS, the Administration has failed take necessary steps to enhance our nation's preparedness. So far, the Administration's strategy appears to be to (1) question the states' ability to spend bioterrorism funding; (2) underfund the smallpox vaccination effort; and (3) propose cuts in the CDC's infectious disease programs for FY 2004. While the Administration did not object to some extra funding for SARS in the recently passed supplemental, these responses are dangerously inadequate.

At the Government Reform hearing on April 9, I asked you about the adequacy of our government's efforts to shore up essential public health services. You responded by pointing to the congressional appropriation for approximately $1.1 billion in Fiscal Year 2002 for bioterrorism preparedness. You said that only 20% of this money has been taken from the Federal Treasury by states. You then testified that California has only drawn down 59% of its bioterrorism funding.

In fact, according to the Association of State and Territorial Health Officials (ASTHO), only 7% of the FY 2002 Bioterrorism funds are not spent, obligated, or committed as of March 1,

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[4]U.S. General Accounting Office, *Bioterrorism: Preparedness Varied across State and Local Jurisdictions* (Apr. 7, 2003) (emphasis added).

[5]Janet Heinrich, *Infectious Disease Outbreaks: Bioterrorism Preparedness Efforts Have Improved Public Health Response Capacity, but Gaps Remain*, Testimony before the House Government Reform Committee (Apr. 9, 2003) (emphasis added).

2003.[6] In California all but 12% of the funding has been spent or promised for a pressing public health need.[7]

A second Administration response has been to refuse to acknowledge the urgent need to fully fund the smallpox vaccination effort. Beginning in January of this year, under the direction of the CDC, states and localities have begun to vaccinate teams of first responders to protect the public in case of a bioterrorist attack using smallpox. The costs of this campaign include organizational time, medical screening, followup, and education. ASTHO has estimated a mean cost of $277.63 per person for Phase 1 of the smallpox vaccination effort,[8] which the Administration has projected will include 500,000 vaccinees, and $162.08 per person for Phase 2.[9] Administration officials have told congressional staff that Phase 2 is expected to include at least two million vaccinees. The total cost to the states of these programs is an estimated $450 million. However, the recently passed supplemental budget contained only $100 million for the smallpox effort, and the Administration is not supporting additional funding at this time.

The failure to commit to full federal funding of the true cost of smallpox vaccination may force states and localities to draw down the rest of their public health budget. In recent weeks, funds that could have been used to hire epidemiologists, establish 24-hour communications, or enhance epidemic responses have been instead used for smallpox. As Dr. Georges Benjamin, executive director of the American Public Health Association, wrote me in March:

> Many state and local public health agencies are diverting much of their existing resources for overall bioterrorism preparedness exclusively to smallpox vaccination. It is dangerous and shortsighted, especially in the current foreign policy environment, to sidetrack our progress in preparing the public health system to address events involving other biological, chemical or nuclear agents by focusing so narrowly on smallpox.[10]

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[6]Association of State and Territorial Health Officials, *Preparedness Funding Allocations as of March 1, 2003 (Based on Reports from 42 States)* (Apr. 14, 2003).

[7]Association of State and Territorial Health Officials, *State Preparedness Funds Status as of March 1, 2003* (Apr. 15, 2003).

[8]Association of State and Territorial Health Officials, *Smallpox Vaccination Program Costs — Phase 1* (Apr. 13, 2003).

[9]Association of State and Territorial Health Officials, *Smallpox Vaccination Program Costs Beyond Phase 1* (Apr. 13, 2003).

[10]Letter from Dr. Georges Benjamin to Rep. Henry A. Waxman (Mar. 18, 2003).

The Institute of Medicine has also said that "it is alarming that some of these [bioterrorism] funds have been diverted from multipurpose infrastructure building to single-agent preparedness."[11] The $100 million, which does not even cover the cost of Phase 1 under current projections, will be insufficient to solve this problem.

I am most concerned about the Administration's proposed FY 2004 budget for the CDC. According to data provided to me by the nonpartisan Trust for America's Health, the budget cuts funding to CDC by more than $100 million compared to funds appropriated in FY 2003.[12] Particularly inexplicable are the individual line cuts within the CDC's budget:

- CDC's Infectious Disease Control Program is dedicated to national surveillance of infectious diseases and strengthening the capacity of state and local health departments to respond to outbreaks. Yet the President's FY 2004 budget would cut funding for this program by 3.4%, or $11.6 million, compared to FY 2003 appropriations.

- CDC's Epidemic Services and Response Program trains public health professionals to respond to emergencies, develops accurate public health information, and provides resources for surveillance systems. The President's FY 2004 budget cuts this critical effort by 1.7%, or $1.3 million, compared to FY 2003 appropriations.

- CDC's efforts at public health improvement include the National Electronic Disease Surveillance System, an effort to develop national standards for the collection of health-related data. The long-term plan for this system is to allow the collection of public health data on a real-time basis to be able to quickly identify and respond to crises. Public health improvement also encompasses critical training programs to address workforce shortages. The President's FY 2004 budget cuts funding for public health improvement by 25%, or $39.4 million, compared to FY 2003 appropriations.

These cuts are unjustifiable. Recently, former Republican Senator and Connecticut Governor Lowell Weicker said:

> The diagnosis is clear — the American public health system is sick, yet, the Administration's budget does not provide the cure. . . . This is essentially a flat-line

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[11]Institute of Medicine, *supra* note 3.

[12]The President's FY 2004 budget proposal anticipates cuts of more than $100 million to the CDC budget. This figure does not include the reduction in terrorism funding for states, changes in the Vaccine for Children program, or the transfer of CDC funds to the Department of Homeland Security for management of the Strategic National Stockpile.

budget, with cuts in some key programs, and it doesn't provide the resources we need to bring this ailing public health patient back to life.[13]

Compounding the failure of the President's budget to address the public health infrastructure is the specter of additional cutbacks as a result of state and local fiscal crises.

I recognize that the Administration did not object to an additional $16 million in the wartime supplemental budget for CDC's efforts to fight SARS. But these funds, which will support the continued 24-hour operations of the CDC in managing this worldwide epidemic, are a drop in the bucket of what is needed to repair the public health infrastructure and protect Americans. It is telling that CDC has even had to turn to private donors to equip itself for emergencies.[14]

What Needs to Be Done

I urge you to work with me and other interested members of Congress to fix the gaping holes in our public health system before they cause needless and tragic injury to Americans. I believe that significant progress on public health preparedness requires, at a minimum:

1. An immediate retraction of proposed cuts to the CDC budget. These cuts did not make sense before SARS, and they certainly do not make sense in the midst of an emerging epidemic.

2. A promise of funding for the smallpox vaccination effort so that public health funding is not diverted from other essential functions. $100 million does not appear adequate to cover this cost.

3. An additional $200 million in the FY 2004 budget to improve public health laboratories around the country. This funding would accelerate preparedness by allowing many more communities quick access to diagnostic tests for SARS, anthrax, exposure to chemical weapons, and other health concerns.

4. An additional $100 million in the FY 2004 budget to accelerate information systems related to disease surveillance and response. Currently, only about half of local health

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[13]Trust for America's Health, *Bush Budget Cuts in CDC and Public Health Programs Putting Nation's Health at Risk, Warns Health Advocacy Group* (Feb. 6, 2003).

[14]*CDC Turns to Private Aid to Stay Healthy*, Los Angeles Times (Apr. 25, 2003).

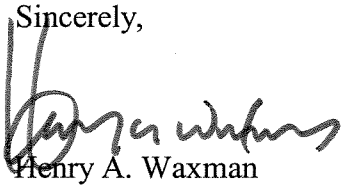
departments can receive critical broadcast alerts. This funding would accelerate preparedness by improving 24-hour response capacity across the country.

5. The completion of an updated national vaccine plan to guide the nation's effort to develop and produce vaccines for public health threats, routine childhood diseases, and bioterrorist agents. Such a plan has not been updated since 1994. A national vaccine plan will ensure that new vaccines produced for emerging threats, such as SARS or smallpox, do not negatively impact the ability of companies to produce routine childhood vaccines or vaccines against influenza.

6. An HHS-sponsored summit on future funding needs for the public health system. HHS should convene our country's top experts this year to recommend budgeting and priorities for the next five to ten years in public health. As this nation invests in revitalizing its public health defenses, we need to ensure that our investments can serve a dual use and enhance preparedness for the full spectrum of health threats, from anthrax to asthma.

The health and safety of the American public should not be a partisan issue. I hope that we can work together on this agenda to shore up our nation's public health system. I request a reply to this letter by May 15, 2003.

Sincerely,



Henry A. Waxman
Ranking Minority Member