# Health

America's health care system is the best in the world, but it is growing more expensive every year. Making health care more affordable is one of the President's highest priorities, and we are making important progress. The President's FY 2005 Budget furthers his commitment to the American people by extending the benefits of modern medicine throughout our country, helping to control the rising costs of medical care, and giving more Americans access to health insurance.

## Since 2001, President Bush has:

- Guaranteed access for all seniors to affordable prescription drug coverage and more choices under Medicare:
  - Signed into law legislation that will make Medicare prescription drug coverage available to 40 million seniors and people with disabilities, beginning in 2006;
  - Beginning in June, seniors started saving 15%-30% off the usual retail price of most brand name medicines and 30%-60% on generics by signing up for Medicare-approved discount cards. More than four million seniors are already enrolled in one of the card programs, and the President encourages seniors to take advantage of the savings offered by the cards;
  - Low-income beneficiaries are also receiving \$600 this year and a total of \$1,200 over the next 18 months to help them purchase their medicines at discounted prices before the permanent Medicare drug benefit takes effect in January 2006. In addition to this assistance, many major drug manufacturers are offering "wraparound" discounts to beneficiaries who exhaust their subsidy, making many of their drugs available for a small monthly fee of \$5 to \$15;
- Helped millions of Americans with their out-of-pocket medical expenses through health savings accounts (HSAs):
  - The Medicare bill that President Bush signed into law enables people who purchase highdeductible health insurance coverage to establish Health Savings Accounts (HSAs). These taxfree, portable accounts are helping individuals and families pay their routine medical expenses and save for their future health care needs;
- Made millions of low-income Americans eligible for coverage:
  - Since January 2001, the Department of Health and Human Services has helped States extend or enhance coverage to an estimated 2.6 million low-income Americans under Medicaid and the State Children's Health Insurance Program (SCHIP) by granting States waivers and approving State plan amendments:
- Helped vulnerable populations who live in medically underserved areas gain greater access to medical services:
  - When the President took office, there were approximately 3,200 Health Center sites serving
    approximately 9.6 million patients, including 4 million uninsured individuals. President Bush
    recognized the needs of the uninsured and medically underserved communities and promised to
    open or expand 1,200 health center sites to serve an additional 6.1 million Americans by 2006.
    Since 2001, the Administration has increased the number of persons served in health centers by
    almost 30% to 13.2 million;
  - By the end of 2004, the Department of Health and Human Services (HHS) will have opened or expanded 614 health center sites;

- As part of the Medicare Modernization Act, the President also signed into law a provision that authorizes \$1 billion over four years to compensate hospitals for the cost of providing emergency medical care to undocumented aliens:
- o Made health insurance coverage more affordable to individuals with serious medical conditions through Federal funding of State high-risk pools:
  - High-risk pools in 30 States make coverage available and more affordable to individuals who have difficulty finding insurance coverage due to pre-existing conditions or can't afford the premiums of their policies;
  - In December 2002, President Bush signed into law legislation that made \$100 million available to States to establish and support high-risk pools;
- o Doubled the Budget of the National Institutes of Health to improve health care for all Americans:
  - President Bush fulfilled a commitment by completing the historic doubling of the NIH Budget by 2003, dramatically increasing medical research funded by NIH to speed cures and treatments for the diseases that plague our Nation and the world;
- o Increased funding for biodefense preparedness to strengthen our homeland security and improve public health surveillance:
  - The President has provided over \$4.4 billion to States, local governments, and hospitals to prepare for a potential bioterrorist attack. Proposed enhancements to public health surveillance will further improve our capacity in the area of detecting and responding to a multitude of human illnesses and outbreaks of disease;
- Implemented a new rule to strengthen competition between generic and brand-name drugs, which is expected to save American consumers more than \$35 billion in drug costs over the next 10 years. The Medicare Modernization Act includes generic drug provisions that will further benefit consumers;
- Supported Association Health Plans (AHPs), which help small businesses provide affordable health insurance coverage to their workers. AHPs will give America's working families greater access to affordable health insurance by allowing small businesses to band together and negotiate for lower costs on behalf of their employees and their families, as large businesses currently do;
- Supported medical liability reform to help improve health care quality and slow the rise in health care costs:
  - President Bush believes these common-sense reforms to medical liability law will increase access
    to quality, affordable health care for all Americans, while reducing frivolous and time-consuming
    legal proceedings against doctors and health care providers that are driving good providers out of
    local communities across the country and raising health care costs for all;
- Created the Federal position of National Coordinator for Health Information Technology to develop a strategic plan that will guide public and private adoption of health information technology:
  - President Bush set a goal that all patients have access to electronic medical records within 10
    years. This key provision of the President's health information technology initiative will help our
    health system eliminate medical errors, reduce wasteful expenditures, and improve the quality of
    care.

<u>The President's 2005 Budget</u> not only continues to provide funds to make health care more affordable and accessible, it provides needed funds for other important health-related initiatives:

- New health insurance deductions to make coverage more affordable to millions of Americans:
  - The President's proposal will allow individuals who establish Health Savings Accounts (HSAs) to
    deduct the premiums they pay for their health insurance policies. It will reduce the net cost of
    these policies and encourage the use of HSAs for making wise, cost-effective health care choices;
- Refundable tax credits to make health insurance more affordable to millions to low-income Americans:
   The President has proposed to establish refundable tax credits of up to \$1,000 for individuals and \$3,000 for families to help low-income individuals buy health insurance coverage;
- Higher quality health care information technology to allow for safer, more efficient health care for all Americans:
  - The President's FY 2005 Budget proposes \$100 million to double funding for demonstration projects of promising technologies. Computerized medical records, electronic prescribing, and secure transfer of information will assure that the right information about the patient, the disease, and the available treatments is available in the office, at the pharmacy, or at the bedside, reducing costs, improving care, and helping to prevent medical errors;
- An additional \$2.5 billion is available for Project BioShield through FY 2008, an increase of \$1.6 billion over FY 2004, to develop and purchase the most important and needed medical countermeasures, including next-generation vaccines for smallpox and anthrax;
- A new \$274 million biosurveillance initiative that increases the Federal government's ability to identify and respond to a bioterrorist attack. This effort includes an expanded BioWatch network (\$47 million increase) of sensors in high-threat areas to detect the release of biological pathogens, bringing total spending on BioWatch to \$118 million;
- Total funding for food and agriculture defense activities at HHS, USDA, and DHS is \$567 million, an increase of \$372 million or 190%;
- A Food and Drug Administration Budget that includes \$181 million to protect the food supply from intentional contamination by terrorists;
- \$3 billion, a \$46 million increase, in Indian Health Service infrastructure and prevention activities to improve the health status of American Indian and Alaska Natives;
- A \$35 million increase with Ryan White to expand access to treatment for those living with HIV/AIDS in America;
- An increase in funding by \$81 million to enable more local communities to develop innovative approaches to diabetes, obesity, and asthma;
- An effort to extend life-saving prevention services to underserved populations that are low-income, underinsured, or uninsured through a \$10 million increase to breast and cervical cancer screening services;

- o \$70 million for the Samaritan Initiative, a new competitive grant program to provide permanent housing with supportive primary health, mental health, and substance abuse treatment to the homeless;
- An increase of \$218 million, to open or expand 330 more health center sites to serve an additional 1.6 million people;
- \$28.6 billion for NIH, a \$729 million increase, which will allow NIH to support a record total of nearly 40,000 research project grants;
- A continued commitment to give individuals in search of substance abuse treatment greater choices to achieve personal recovery. The Access to Recovery program will provide \$200 million to enable 100,000 individuals to obtain substance abuse treatment services that best meet their needs, including from faith- and community-based treatment providers;
- o An additional \$8.3 million, or nearly 40%, increase at the Food and Drug Administration (FDA) to enhance enforcement of Federal regulations to prevent the introduction or spread of Bovine Spongiform Encephalopathy (BSE) or "mad cow disease." The Budget also includes an increase of \$46 million or 354% at USDA for BSE prevention.

## For Other Information About the President's Accomplishments and Proposals:

## FY 2005 Budget

Department of Agriculture: <a href="http://www.whitehouse.gov/omb/budget/fy2005/agriculture.html">http://www.whitehouse.gov/omb/budget/fy2005/agriculture.html</a>
Department of Health and Human Services: <a href="http://www.whitehouse.gov/omb/budget/fy2005/hhs.html">http://www.whitehouse.gov/omb/budget/fy2005/hhs.html</a>
Department of Homeland Security: <a href="http://www.whitehouse.gov/omb/budget/fy2005/homeland.html">http://www.whitehouse.gov/omb/budget/fy2005/homeland.html</a>

#### Clean Diesel

Environmental Protection Agency: http://www.epa.gov/cleandiesel/

## **Clear Skies**

Environmental Protection Agency: http://www.epa.gov/clearskies/

#### **Environment**

The White House: <a href="http://www.whitehouse.gov/infocus/environment/">http://www.whitehouse.gov/infocus/environment/</a>

#### Fitness

The White House: http://www.whitehouse.gov/infocus/fitness/

### **Health Care**

The White House: <a href="http://www.whitehouse.gov/infocus/healthcare/">http://www.whitehouse.gov/infocus/healthcare/</a>

#### **HIV/AIDS**

The White House: http://www.whitehouse.gov/infocus/hivaids/

## **Homeland Security**

The White House: http://www.whitehouse.gov/homeland/

Medicare

The White House: <a href="http://www.whitehouse.gov/infocus/medicare/">http://www.whitehouse.gov/infocus/medicare/</a>

**Technology**The White House: <a href="http://www.whitehouse.gov/infocus/technology/">http://www.whitehouse.gov/infocus/technology/</a>