

THE WHITE HOUSE
WASHINGTON

July 18, 2006

Dear Mr. Speaker:

I ask the Congress to consider the enclosed FY 2007 Budget amendments for the Department of Health and Human Services to enhance the preparedness and response capabilities of the agency based primarily on the findings of the Federal Response to Hurricane Katrina: Lessons Learned report of February 2006. The total discretionary budget authority in my FY 2007 Budget would not be increased by these requests.

The details of this proposal are set forth in the enclosed letter from the Director of the Office of Management and Budget.

Sincerely,

A handwritten signature in black ink, appearing to be "George W. Bush", written over a faint rectangular box.

The Honorable J. Dennis Hastert
Speaker of the House of Representatives
Washington, D.C. 20515

Enclosure



THE DIRECTOR

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 17, 2006

The President
The White House

Submitted for your consideration are FY 2007 Budget amendments for the Department of Health and Human Services. These amendments propose an increase in funding for the Office of Public Health and Emergency Preparedness, the Office of the National Coordinator for Health Information Technology, and the Commissioned Corps to strengthen the Department's preparedness and response capabilities, based on the findings of the *Federal Response to Hurricane Katrina: Lessons Learned* report of February 2006. The proposal also includes funding to strengthen the management of the bioterrorism countermeasure acquisition program.

This request would be fully offset by proposed reductions to accounts within the agency. Overall, the total discretionary budget authority proposed in your Budget would not be increased by these amendments.

I have reviewed these proposals and am satisfied that they are necessary at this time. Therefore, I join the Secretary of Health and Human Services in recommending that you transmit this request to the Congress.

Sincerely,

A handwritten signature in black ink that reads "Rob Portman". The signature is written in a cursive, flowing style.

Rob Portman

Enclosures

Agency: DEPARTMENT OF HEALTH AND HUMAN SERVICES
Bureau: DEPARTMENTAL MANAGEMENT
Heading: Public Health and Social Services Emergency Fund
FY 2007 Budget
Appendix Page: 465
FY 2007
Pending Request: \$160,475,000
Proposed Amendment: \$57,938,000
Revised Request: \$218,413,000

(In the appropriations language under the above heading, delete "\$160,475,000" and substitute \$218,413,000, of which not to exceed \$22,338,000 may be available, notwithstanding clause (ii) of section 319F-2(c)(7)(B) of the Public Health Service Act, until September 30, 2008 to pay the costs described in such clause.)

This amendment would increase new budget authority by \$57.9 million for the Office of Public Health and Emergency Preparedness in the Public Health and Social Services Emergency Fund. This proposed funding, taken together with \$6.8 million redirected from resources within the account, would provide a total of \$64.7 million for improvements to strengthen preparedness and response based on the findings of the *Federal Response to Hurricane Katrina: Lessons Learned* report of February 2006.

The requested amount also includes a \$22.3 million increase to Project BioShield administrative funding. Of this amount, \$11.3 million was proposed in the FY 2007 Budget to be funded in the Strategic National Stockpile account within the Centers for Disease Control and Prevention to administer Project BioShield.

Overall, this amendment would be fully offset by proposed reductions to other accounts within the Department of Health and Human Services, as described in accompanying amendments.

This proposal would increase FY 2007 outlays by \$6.0 million.

Agency: DEPARTMENT OF HEALTH AND HUMAN SERVICES
Bureau: DEPARTMENTAL MANAGEMENT
Heading: General Departmental Management
FY 2007 Budget
Appendix Page: 462-463
FY 2007
Pending Request: \$362,568,000
Proposed Amendment: \$13,512,000
Revised Request: \$376,080,000

This amendment would increase by \$13.5 million the amount requested for the Commissioned Corps in General Departmental Management, for a total of \$27.6 million. This funding would be used to create and equip two dedicated, full time health and medical response teams consistent with the findings of the *Federal Response to Hurricane Katrina: Lessons Learned* report of February 2006.

The requested increase would be fully offset by proposed reductions to other accounts within the Department of Health and Human Services, as described in accompanying amendments. This proposal would increase FY 2007 outlays by \$12.0 million.

Agency: DEPARTMENT OF HEALTH AND HUMAN SERVICES
Bureau: DEPARTMENTAL MANAGEMENT
Heading: Office of the National Coordinator for Health Information
Technology
FY 2007 Budget
Appendix Page: 464
FY 2007
Pending Request: \$87,872,000
Proposed Amendment: \$2,000,000
Revised Request: \$89,872,000

This amendment would increase the Office of the National Coordinator for Health Information Technology by \$2.0 million for standards development and testing of a medical disaster response Electronic Health Record in coordination with the Office of Public Health and Emergency Preparedness and other entities, as needed.

The requested increase would be fully offset by proposed reductions to other accounts within the Department of Health and Human Services, as described in accompanying amendments.

This amendment would increase FY 2007 outlays by \$1.0 million.

Agency: DEPARTMENT OF HEALTH AND HUMAN SERVICES
Bureau: CENTERS FOR DISEASE CONTROL AND PREVENTION
Heading: Disease Control, Research, and Training
FY 2007 Budget Appendix Page: 433
FY 2007 Pending Request: \$5,833,952,000
Proposed Amendment: -\$50,747,000
Revised Request: \$5,783,205,000

(In the appropriations language under the above heading, delete "\$5,833,952,000" and substitute \$5,783,205,000; and delete "\$592,648,000" and substitute \$581,335,000.)

This amendment would decrease the pending request by \$50.7 million. This includes a reduction of \$39.4 million for Upgrading State and Local Capacity and a reduction of \$11.3 million for the Strategic National Stockpile to administer Project BioShield under Section 319F-2(c)(7)(B)(ii) of the Public Health Service Act that is now proposed to be funded out of the Public Health and Social Services Emergency Fund.

This amendment would partially offset proposed increases to the Public Health and Social Services Emergency Fund, the Office of the National Coordinator for Health Information Technology, and the General Departmental Management account within the Department of Health and Human Services, as described in accompanying amendments.

The amendment would decrease FY 2007 outlays by \$1.0 million.

Agency: DEPARTMENT OF HEALTH AND HUMAN SERVICES
Bureau: HEALTH RESOURCES AND SERVICES ADMINISTRATION
Heading: Health Resources and Services
FY 2007 Budget Appendix Page: 423-424
FY 2007 Pending Request: \$6,308,855,000
Proposed Amendment: -\$22,703,000
Revised Request: \$6,286,152,000

This proposal would decrease by \$22.7 million the pending request for Bioterrorism Hospital Preparedness within the Health Resources and Services account. This request would partially offset proposed increases for preparedness improvement activities in the Public Health and Social Services Emergency Fund, the Office of the National Coordinator for Health Information Technology, and the General Departmental Management account within the Department of Health and Human Services, as described in accompanying amendments.

This amendment would decrease FY 2007 outlays by \$1.0 million.