



FY 2007 CDC/ATSDR President's Budget Request Financial Management Office • February 10, 2006

FY 2007 CDC/ATSDR Budget Request

On February 6, 2006, President George W. Bush submitted the fiscal year (FY) 2007 President's Budget to Congress. The total President's Budget for the Centers for Disease Control and Prevention (CDC) and Agency for Toxic Substances and Disease Registry (ATSDR) of \$8.2 billion represents a decrease of \$178.6 million below the FY 2006 Enacted level of \$8.4 billion. This funding will advance activities which support CDC's health protection goals: healthy people in every stage of life; healthy people in healthy places; people prepared for emerging health threats; and, healthy people in a healthy world.

The following programmatic areas have all been affected by a pay raise and both an administrative and information technology (IT) savings. The pay raise reflects anticipated FY 2007 increases; the administrative savings will be achieved through a combination of travel, equipment, consultant contracts, and cost savings made possible through new and more efficient methods of processing; and the IT savings will be realized based on select systems moving from the development phase into implementation and operations as well as greater internal efficiencies realized in areas related to IT.

Infectious Diseases includes \$1.7 billion to control and prevent illness, disability, and death from infectious, sexually transmitted, and vaccine-preventable diseases. This represents a decrease of \$7.5 million below the FY 2006 Enacted level. Within the Infectious Diseases budget activity, increased funding of \$35 million is requested for expansion of activities to address the potential threat of a flu pandemic by: developing a library of reference strains, developing a more comprehensive reagent stockpile, and increasing yearly demand for influenza vaccine. Additionally, an increase of

\$93 million will be directed at increasing testing of more than three million additional Americans, emphasizing regions with the highest numbers of new cases as well as focusing on incarcerated persons and injecting drug users. The President's Budget also includes elimination of funding for the bulk monovalent influenza vaccine totaling \$29.7 million, as this vaccine can be used for the next influenza season should the strain remain the same. Funding for West Nile virus will also decrease by \$9.9 million in FY 2007. Finally, the FY 2007 President's Budget includes a reduction of \$100 million for the Section 317 immunization program to reflect proposed law changes (described below).

Health Promotion includes \$929.2 million, a reduction of \$34.2 million below the FY 2006 Enacted level to prevent death and disability from chronic diseases, birth defects, developmental disabilities as well as to promote healthy personal behaviors and improve the health and welfare of people with disabilities. Funding for programs addressing Epilepsy, the National Lupus Patient Registry, Alzheimer's Disease, Chronic Kidney Disease, Tourette Syndrome, Paralysis Resource Center, Attention-Deficit Hyperactivity Disorder, and Cooley's Anemia will be eliminated, as these programs have not demonstrated health impact and are not focused on primary prevention. The FY 2007 President's Budget also includes reductions to fund base program activities at the FY 2006 President's Budget level.

Health Information and Service includes \$261.7 million, an increase of approximately \$38.8 million over the FY 2006 Enacted level, to collect and provide the most current, credible, and accessible information about health in order to maximize impact. An increase of \$29.7



million will be utilized in the development of a vaccine and antiviral tracking system that would create a database of vaccination records and the administration of other countermeasures. Additional funding of \$9.9 million will be used to create models allowing CDC to improve decision makers' ability to understand the current disease burden, develop predictions, and integrate key surveillance data through enhanced system capabilities.

Environmental Health and Injury Prevention

includes \$279.3 million, a decrease of \$8.9 million below the FY 2006 Enacted level, to prevent and control disease, disability, and death from environmental hazards and injuries. Funding reflects the elimination of CDC's Pfiesteria program, as this activity is outside the scope of CDC's primary prevention mission and has not demonstrated health impact.

Occupational Safety and Health includes \$250.2 million, a reduction of \$5 million below the FY 2006 Enacted level. The funding would be used for activities related to the research, tracking, and prevention of work-related injuries. Decreased funding reflects reductions to fund base program activities at the FY 2006 President's Budget level.

Global Health includes \$381.1 million, a decrease of \$0.1 million below the total FY 2006 Enacted level, to promote health and prevent disease in the United States and abroad. The FY 2007 President's Budget includes funding to continue pandemic influenza preparedness activities related to surveillance, rapidly responding to outbreaks, and better understanding the frequency and risks of human infections with animal (e.g. H5N1) influenza A viruses.

Public Health Research maintains funding of \$31 million, consistent with the FY 2006 Enacted level. Public Health Research activities bridge the gap between medical research discoveries and behaviors by identifying the best strategies for detecting diseases, assessing health status, motivating healthy lifestyles, and communicating effective health promotion messages.

Public Health Improvement and Leadership

includes \$190.1 million, a reduction of nearly \$75 million from the FY 2006 Enacted level, which provides funding for many of CDC's leadership and management costs, workforce and career development activities, and the director's discretionary fund. The reduction will come from eliminating funding for the World Trade Center Registry, as funds appropriated in FY 2006 will be used to support these activities for several years.

Preventive Health and Health Services

Block Grant is eliminated in the FY 2007 President's Budget, reflecting a reduction of \$99 million from the FY 2006 Enacted level. New appropriations language provides authorization for states to utilize funds within categorical grant programs for purposes related to those conducted with PHHSBG funds to allow for a source of flexible funding in the absence of this program.

Buildings and Facilities includes \$29.7 million, to maintain CDC's nationwide repairs and improvements program to protect the interest and investment of the government so that deterioration of CDC facilities does not occur again.

Business Services and Support includes \$303.9 million, an increase of \$5.2 million above the FY 2006 Enacted level. This funding would be



used to carry out CDC's business service functions. Increases are necessary to support CDC's Unified Financial Management System, the Service and Supply Fund, and projected rent increases in FY 2007.

Terrorism and the Strategic National

Stockpile includes \$1.7 billion, an increase of approximately \$24.9 million over the FY 2006 Enacted level for activities related to terrorism preparedness and emergency response. Increased funding is included for the Strategic National Stockpile and critical botulinum toxin research. The FY 2007 President's Budget also includes the termination of the anthrax research study. Finally, decreased funding of \$30.3 million is requested for CDC's BioSense and quarantine programs to continue activities that were enhanced in FY 2006 through Department of Defense pandemic influenza funding.

Vaccine for Children (VFC), CDC's mandatory program that provides vaccines to eligible children,

is estimated at more than \$2.1 billion in FY 2007. This reflects an increase of \$188.5 million above the FY 2006 estimate. Increased funding of \$48.5 million is required to purchase meningococcal conjugate and hepatitis A vaccines, two newly included recommended vaccines in the VFC program. Additionally included in the FY 2007 estimate is a proposed legislative change to the VFC program that will allow underinsured children (children who have insurance that does not cover vaccines) to receive VFC vaccines at public health clinics. Increased funding of \$140 million is necessary to cover the estimated costs related to the addition of these locations for underinsured children. This would be offset by an estimated savings of \$100 million to the Section 317 program, which is also proposed in the President's Budget.

ATSDR includes \$75 million, \$0.1 million above the FY 2006 Enacted level, to continue critical health assessment work at hazardous waste sites around the nation and to help mitigate the health effects from exposures to such substances.