



DEPARTMENT of HEALTH and HUMAN SERVICES

Fiscal Year
2019

General Departmental Management
Opioids Epidemic and Serious Mental Illness Initiative
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 2019	
	FTE	Budget Authority
General Departmental Management	1,005	\$289,545,000
PHS Evaluation Set-Aside – Public Health Service Act	129	\$53,445,000
Pregnancy Assistance Fund ¹	2	\$25,000,000
HCFAC ²	34	\$10,000,000
Proposed Mandatory Funding – Departmental Appeals Board ³	14	\$2,000,000
Proposed User Fee Collections – Departmental Appeals Board ⁶ GDM Program Level⁴	0	\$1,457,000
	1,184	\$381,447,000
Office of Medicare Hearings and Appeals	705	\$112,381,000
Proposed Mandatory Funding – Office of Medicare Hearings and Appeals	200	\$125,000,000
Recovery Audit Collections – Office of Medicare Hearings and Appeals and Departmental Appeals Board ⁵	45	\$10,000,000
Proposed User Fee Collections – Office of Medicare Hearings and Appeals ⁶ OMHA Program Level	0	\$3,679,000
	950	\$251,060,000
Office for Civil Rights	153	\$30,904,000
Office of the National Coordinator for Health IT	164	\$38,381,000
Service and Supply Fund	1,001	\$0
Opioids Epidemic and Serious Mental Illness and Serious Emotional Disturbance Initiative	0	\$10,000,000,000
TOTAL, Departmental Management	3,452	\$10,701,792,000

¹ The Pregnancy Assistance Fund (PAF) is authorized and appropriated by the Patient Protection and Affordable Care Act (ACA) Public Law 111-148.

² The reimbursable program (HCFA) in the General Department Management (GDM) account reflects estimates of the allocation account for 2019. Actual allocation will be determined annually.

³ The proposed mandatory funding has a legislative proposal in place to transfer funds from the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds to the Departmental Appeals Board.

⁴ The GDM Program Level does not include either estimated reimbursable budget authority and associated FTE or Pregnancy Assistance Fund and associated FTE, unless otherwise indicated.

⁵ Recovery Audit Collections reflect FY 2018 House and Senate Bills to address Medicare Appeals at OMHA and DAB.

⁶ The proposed user fee collections for OMHA and DAB represent a proposal that creates a post-adjudication user fee applied to all unfavorable appeals (other than beneficiary appeals) at the 3rd and 4th level of appeals.

INTRODUCTION

The FY 2019 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 (OMB) Circulars A-11 and A-136 through the HHS agencies' FY 2019 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 2019 Congressional Justifications and accompanying Online Performance Appendices contain the updated FY 2019 Annual Performance Report and FY 2019 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*

Enclosed, please find 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 fostering sound, sustained advances in the sciences underlying medicine, public health, and social services.

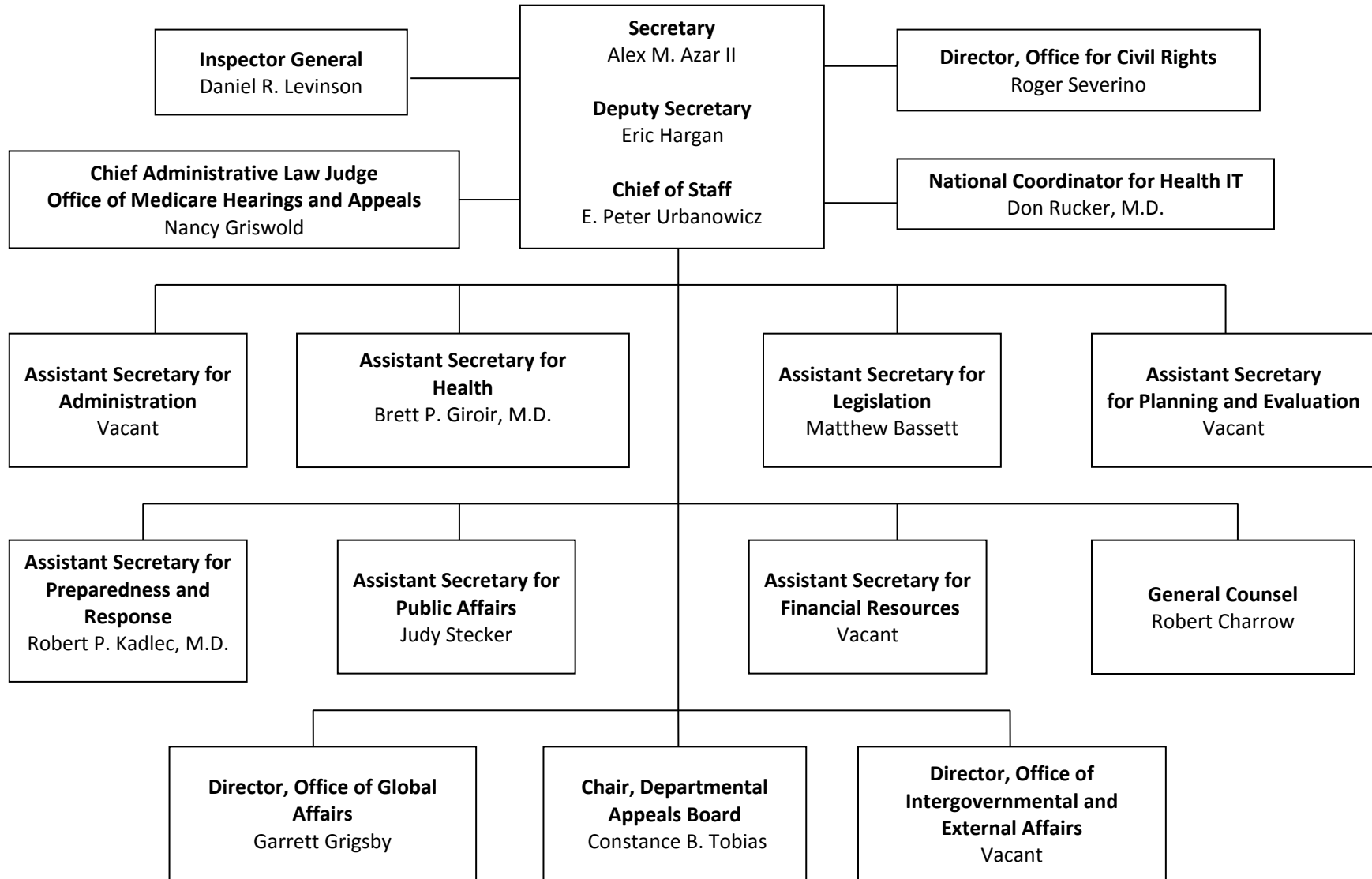
The Budget request supports the Secretary in his role as chief policy officer and general manager of HHS. The FY 2019 request totals \$10.7 billion. The request will ensure the Secretary's ability to successfully manage the Department, while increasing accountability in oversight functions and improving the transparency of information and decision-making. In particular, FY 2019 request supports:

- A \$10 billion Department-wide effort to combat the opioid epidemic and serious mental illness and serious emotional disturbance;
- The Office of Medicare Hearings and Appeals and Departmental Appeals Board ability to keep pace with the growing number of Medicare appeals;
- The Office for Civil Rights, the Department's chief law enforcer and regulator of civil rights, conscience, and religious freedom, and health information privacy and security;
- The Office of the Assistant Secretary for Health role as senior advisor and coordinator of public health policy and programs across HHS, including the Office of the Surgeon General and the U.S. Public Health Service Commissioned Corps;
- The Office of Global Affairs leadership, along with other government and international partners, to finalize the development of the Global Health Security Agenda (GHSA) 2.0 and support its global launch during FY 2019; and
- The Office of the National Coordinator for Health IT (ONC) leadership of the Government's efforts to ensure that electronic health information is available and can be shared safely and securely to improve the health and care of all Americans and their communities.

The Secretary looks forward to working with the Congress toward the enactment and implementation of an FY 2019 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

- Alex M. Azar II
 - Deputy Secretary Eric Hargan
 - Chief of Staff E. Peter Urbanowicz

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
 - Vacant
- Assistant Secretary for Health
 - Brett P. Giroir, M.D.
- Assistant Secretary for Legislation
 - Matthew Bassett
- Assistant Secretary for Planning and Evaluation
 - Vacant
- Assistant Secretary for Preparedness and Response
 - Robert P. Kadlec, M.D., M.P.H.
- Assistant Secretary for Public Affairs
 - Judy Stecker
- Assistant Secretary for Financial Resources
 - Vacant
- General Counsel
 - Robert Charrow
- Director, Office of Global Affairs
 - Garrett Grigsby
- 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 for Civil Rights (appropriation);
- Office of the National Coordinator for Health Information Technology (appropriation);
- Service and Supply Fund (revolving fund); and
- Opioids Epidemic and Serious Mental Illness and Serious Emotional Disturbance Initiative.

The mission of the 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 2019 President's Budget request for DM totals \$10,701,792,000 in program level funding, including 3,452 full-time equivalent (FTE) positions, an increase of \$9,944,409,000 above the FY 2018 Annualized Continuing Resolution (CR) Level.

The FY 2019 Budget will support ongoing and critical priorities including the Opioid Epidemic and Serious Mental Illness and Serious Emotional Disturbance, Global Health Security Agenda, the HHS Pain Management Task Force, religious freedom, and the Departmental Appeals Board.

The **General Departmental Management (GDM)** appropriation supports the activities associated with the Secretary's responsibilities 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. The FY 2019 President's Budget program level request for GDM includes a total of \$381,447,000 and 1,184 FTE.

The **Office of Medicare Hearings and Appeals (OMHA)** was created pursuant 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. The FY 2019 President's Budget request for OMHA is \$251,060,000 and 950 FTE. Of this amount, \$125,000,000 and 200 FTE will be provided through proposed mandatory funding, \$10,000,000 in Recovery Audit collections, and \$3,679,000 in proposed user fee collections. 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 budget also proposes additional legislative authorities for OMHA to address the Medicare appeals backlog.

The **Office for Civil Rights (OCR)** is the Department's chief law enforcer and regulator of civil rights, conscience, and religious freedom, and health information privacy and security. The FY 2019 President's Budget request for OCR is \$30,904,000 in budget authority and 153 FTE. The Budget supports OCR's

essential programmatic focus as the primary defender of the public's right to nondiscriminatory access to, and receipt of, HHS-funded health and human services, conscience and religious freedom protections, and access, privacy, and security protections for individually identifiable health information. To carry out these functions, OCR investigates complaints, enforces rights, develops policy, promulgates regulations, and provides technical assistance and public education to ensure understanding of, and compliance with, non-discrimination and health information privacy laws.

The **Office of the National Coordinator for Health Information Technology (ONC)** was established by Executive Order 13335 on April 27, 2004, and subsequently authorized by the Health Information Technology for Economic and Clinical Health Act on February 17, 2009. The FY 2019 President's Budget request for ONC is \$38,381,000 and 164 FTE, to coordinate national efforts related to the implementation and use of interoperable electronic health information exchange. The Office of the National Coordinator for Health Information Technology (ONC) leads the Government's efforts to ensure that electronic health information is available and can be shared safely and securely to improve the health and care of all Americans and their communities. ONC's work is pivotal to achieving interoperability, encouraging market competition, advancing patient access to their electronic records, combating information blocking, and bringing innovative easy-to-use products into the hands of users.

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 the FY 2019 President's Budget request the SSF is projecting total revenue of \$1,802,732,432 and usage of 1,001 FTE.

The FY 2019 Budget proposes a \$10 billion historic investment for **Combatting Opioid Epidemic and Serious Mental Illness and Serious Emotional Disturbance**. This investment supports department-wide collaboration to address the opioids epidemic and focus on rural and underserved populations through evidence-based approaches and establishes a new grant program for Certified Community Behavioral Health Clinics that provide services to individuals suffering from serious mental illness.

**DEPARTMENTAL MANAGEMENT
BUDGET BY APPROPRIATION**

(Dollars in thousands)

Details	FY 2017 Final	FY 2018 Annualized CR	FY 2019 President's Budget
General Departmental Management	459,579	457,501	289,545
PHS Evaluation Funds	64,828	64,388	53,445
Pregnancy Assistance Fund ¹	23,275	23,350	25,000
HCFAC Funds ²	7,000	7,000	10,000
Proposed Mandatory Funding Department Appeals Board ³	-	-	2,000
Proposed User Fee (DAB) ⁶	-	-	1,457
Subtotal, GDM Program Level⁴	554,682	552,239	381,447
Office of Medicare Hearings and Appeals	107,381	106,652	112,381
Proposed Mandatory Funding	-	-	125,000
Recovery Audit Collections ⁵	-	-	10,000
Proposed User Fee (OMHA) ⁶	-	-	3,679
Subtotal, OMHA Program Level	107,381	106,652	251,060
Office for Civil Rights	38,708	38,535	30,904
Office of the National Coordinator for Health Information Technology	60,227	59,957	38,381
Opioids & Serious Mental Illness & Serious Emotional Disturbance Initiative	-	-	10,000,000
Total, Departmental Management	760,998	757,383	10,701,792

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