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Centers for Disease Control and Prevention (CDC) Funding Overview

August 5, 2022

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CRS REPORT
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Committees of Congress

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Centers for Disease Control and Prevention (CDC) Funding Overview

The Centers for Disease Control and Prevention (CDC) is a federal public health agency that develops and supports community-based and population-wide programs and systems to promote health-related quality of life and to prevent the leading causes of disease, injury, disability, and death, both domestically and globally. In addition, the Agency for Toxic Substances and Disease Registry (ATSDR) is headed by the CDC director and is tasked with identifying potential public health effects from exposure to hazardous substances. This CRS report provides an overview of CDC's budget and appropriations with a focus on FY2022 enacted appropriations and the FY2023 President's budget request. The report also discusses supplemental appropriations for CDC and trends in state and local funding for public health. ATDSR appropriations are included within the overall discussion of CDC funding.

SUMMARY

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Kavya Sekar, Coordinator
Analyst in Health Policy

Hassan Z. Sheikh
Analyst in Public Health Emergency Management

Taylor R. Wyatt
Analyst in Public Health Emergency Management

This report divides CDC's *program level*, or annual funding from all sources of budget authority, into two categories, with a focus on the first:

1. a core public health program level that funds most of the agency's main public health programs. This is made up of discretionary and mandatory appropriations that are mostly provided or allocated through the Departments of Labor, Health and Human Services, and Education, and Related Agencies (LHHS) appropriations act, and
2. other mandatory programs that include several CDC-administered health services, compensation-related, and user fee programs. These include the World Trade Center Health Program and user fees for cruise ship inspection, among others.

CDC's enacted FY2022 (P.L. 117-103) core public health program level is $8.482 billion, which represents a $606 million (+7.7%) increase from the FY2021 final core public health program level, and is $1.1 billion (-11.5%) less than the President's FY2022 budget request. President Biden has proposed an FY2023 core public health program level of $38.76 billion, an increase of $30.277 billion (+356.9%) relative to the FY2022 enacted level. Of the total increase, 92.5% of the amount is from a new proposed mandatory pandemic preparedness appropriation of $28 billion. Excluding the pandemic preparedness funding, the proposed core public health program level is $10.675 billion, which would represent a $2.273 billion (+27.1%) increase over the FY2022 enacted program level.

From FY2011 to FY2021, CDC's core public health funding level has remained between approximately $6.5 and $8 billion until the increase provided in FY2022 (not adjusted for inflation). The lowest funding level of $6.28 billion in 2013 included budget sequestration of nonexempt discretionary spending. CDC also frequently receives one-time supplemental appropriations in response to specific incidents—such as infectious disease threats, natural disasters, or screening and health support to refugees. In response to some incidents, such as the ongoing Coronavirus Disease 2019 (COVID-19) pandemic, supplemental appropriations are substantial and are tied to short-term funding increases for overall public health capacity at the federal, state, and local level. (These are not included in core public health funding as they are not intended to fund the regular operating expenses and programs of the agency.)

In the United States, most public health activities are carried out by state and local governments. A large portion of CDC's annual budget is awarded as external financial assistance to state and local health departments (typically in the form of grants or cooperative agreements). In addition to CDC funding, funding trends at the state and local level have a significant impact on overall U.S. public health capacity. There is no source of standardized and generally accepted data on public health funding at the federal, state, and local level, which hinders analysis of public health funding trends. However, several sources indicate that public health funding at the state and local level has remained flat or declined over the past decade.

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Introduction

The Centers for Disease Control and Prevention (CDC), within the Department of Health and Human Services (HHS), is a federal public health agency that develops and supports community-based and population-wide programs and systems to promote health and to prevent the leading causes of disease, injury, disability, and death, both domestically and globally. Its stated mission is to "protect America from health, safety and security threats, both foreign and in the [United States]."[1] In addition to its role supporting ongoing public health activities, the agency has played a major role in the federal response to the Coronavirus Disease 2019 (COVID-19) pandemic and in other disease outbreaks and public health emergencies. The Agency for Toxic Substances and Disease Registry (ATSDR), headed by the CDC director, is tasked with identifying potential public health effects from exposure to hazardous substances.

Two features characterize CDC's mission and programs. First, CDC programs tend to focus on *prevention* of adverse health outcomes, rather than treatment or clinical care after a health issue arises. Second, CDC programs focus on a *population and community-wide* health interventions, rather than those that serve individuals. CDC also administers some health services and compensation-related programs as discussed later in this report. CDC is organized into a number of centers, institutes and offices (CIOs) as shown in **Figure 1**. Some of these CIOs focus on specific public health challenges (e.g., injury prevention), while others focus on general public health capabilities (e.g., surveillance and laboratory services).[2]

CDC as an agency is not explicitly established in authorizing law, though the agency is frequently referenced in law—especially in provisions in the Public Health Service Act (PHSA). Many CDC programs and activities are not explicitly authorized but are based in general and permanent statutory authorities of the HHS Secretary, mostly in the PHSA.[3] Four CDC CIOs[4] and numerous specific CDC programs[5] are explicitly authorized. CDC also has certain regulatory responsibilities.[6]

Given CDC's mix of general and specific authorizations, appropriations play a central role in guiding the agency's policy priorities.

[1] CDC, "Mission, Role, and Pledge," https://www.cdc.gov/about/organization/mission.htm.

[2] CDC, "Official Mission Statement & Organizational Chart," https://www.cdc.gov/about/organization/cio-orgcharts/index.html.

[3] For example, PHSA Section 301 (42 U.S.C. §241) authorizes the HHS Secretary to conduct and support health-related research and investigations. PHSA Section 317 (42 U.S.C. §247b) authorizes the Secretary to award grants to states for preventive health programs, and PHSA Section 319 (42 U.S.C. §247d) authorizes the Secretary to respond to public health emergencies.

[4] Explicitly authorized CDC components include the National Institute for Occupational Safety and Health (NIOSH), authorized by the Occupational Safety and Health Act of 1970 (29 U.S.C. §§651 et seq.); the National Center on Birth Defects and Developmental Disabilities (NCBDDD) established in PHSA Section 317C (42 U.S.C. §247b-4); the National Center for Health Statistics (NCHS) established in PHSA Section 306 (42 U.S.C. §242k); and the Agency for Toxic Substances and Disease Registry (ATSDR) established by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA, the "Superfund" law; 42 U.S.C. §§9601 et seq.).

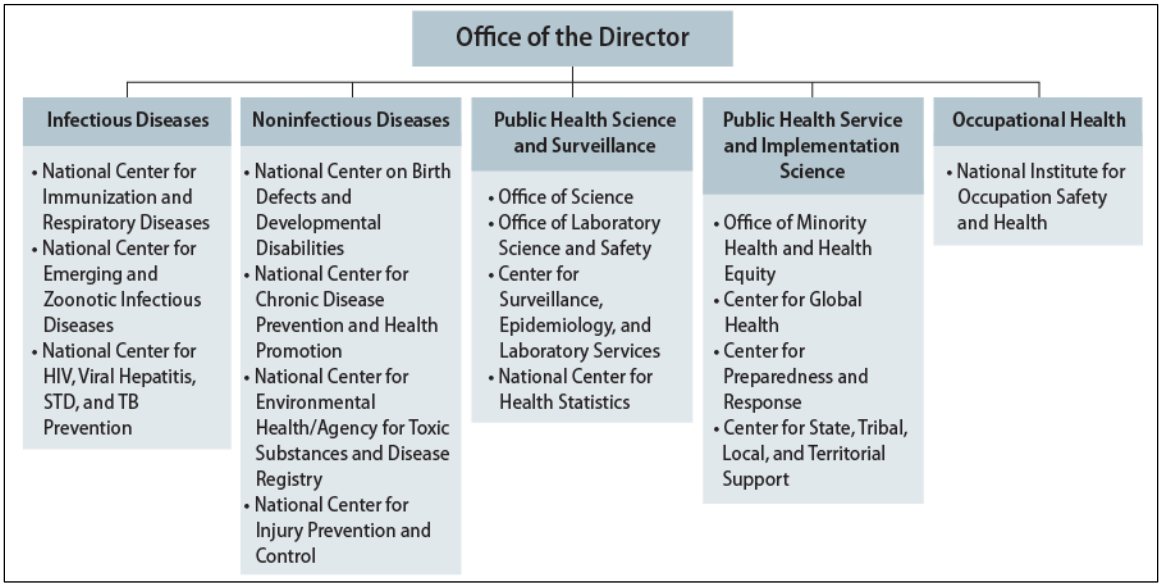
[5] Among numerous others, PHSA Sections 317A et seq. authorize lead poisoning prevention activities, and PHSA Title XXXIII authorizes the World Trade Center Health Program.

[6] See CDC, "CDC Regulations," https://www.cdc.gov/regulations/index.html.

A large portion of CDC's annual budget is awarded as external financial assistance (typically in the form of grants or cooperative agreements)—especially to state[7] and local health departments.[8] CDC also awards funding to a variety of other entities, including international governments and organizations; tribal governments and organizations; academic and research institutions; and nonprofit organizations.

This report reviews the CDC's budget and appropriations from FY2020 to FY2022 and its funding history for core public health programs from FY2011 to FY2023. It also discusses selected policy issues related to CDC appropriations, including the roles of emergency supplemental funding and state and local funding in public health.[9] ATDSR appropriations are included within the overall discussion of CDC funding.

Figure 1. Centers for Disease Control and Prevention Organization Chart



Source: Adapted by CRS from CDC, "CDC Organization Chart," https://www.cdc.gov/about/organization/orgchart.htm.

Notes: HIV = Human Immunodeficiency Virus; STD = Sexually Transmitted Disease; TB = Tuberculosis.

Understanding CDC Appropriations

This CRS report divides CDC's annual *program level*[10] into two categories, as shown in **Figure 2**:

[7] For the purposes of this report, U.S. territories are included in the term, "state," consistent with the definition of "state" in the PHSA (Section 2, 42 U.S.C. §201).

[8] In FY2020, CDC provided more than $6 billion in non-COVID-19-related grant funding into public health programs and research around the world. CDC, "Office of Financial Assistance: FY2020 Assistance Snapshot," https://www.cdc.gov/funding/documents/fy2020/fy-2020-ofr-snapshot-508.pdf.

[9] This report draws from prior year Congressional Budget Justifications and relevant appropriations laws and accompanying reports. See CDC, "Congressional Justifications," https://www.cdc.gov/budget/congressional-justifications/index.html.

[10] For the purposes of this report, CDC's program level is the sum of the agency's funding for a fiscal year reflecting all sources of budget authority.

- core public health program level, funded mostly by annual discretionary Departments of Labor, Health and Human Services, and Education, and Related Agencies (LHHS) appropriations and mandatory Prevention and Public Health Fund (PPHF) appropriations, and
- other mandatory programs, including health services or compensation-related programs funded by program-specific mandatory budget authorities. In addition, CDC receives funding from mandatory user fee programs.

CRS has divided CDC's program level into the two categories to allow for valid year-to-year comparisons of programmatic funding levels for the agency. The core public health program level reflects both (1) funding for the main public health program activities conducted by CDC CIOs and ATDSR in support of the agencies' core missions, and (2) funding that is largely subject to the annual appropriations process, and therefore reflects the legislative decisions made by Congress each year to fund CDC and ATDSR programs. The CDC "core public health program level" for FY2022 in this CRS report aligns with the "CDC/ATDSR program level" presented in FY2023 CDC budget documents.[11]

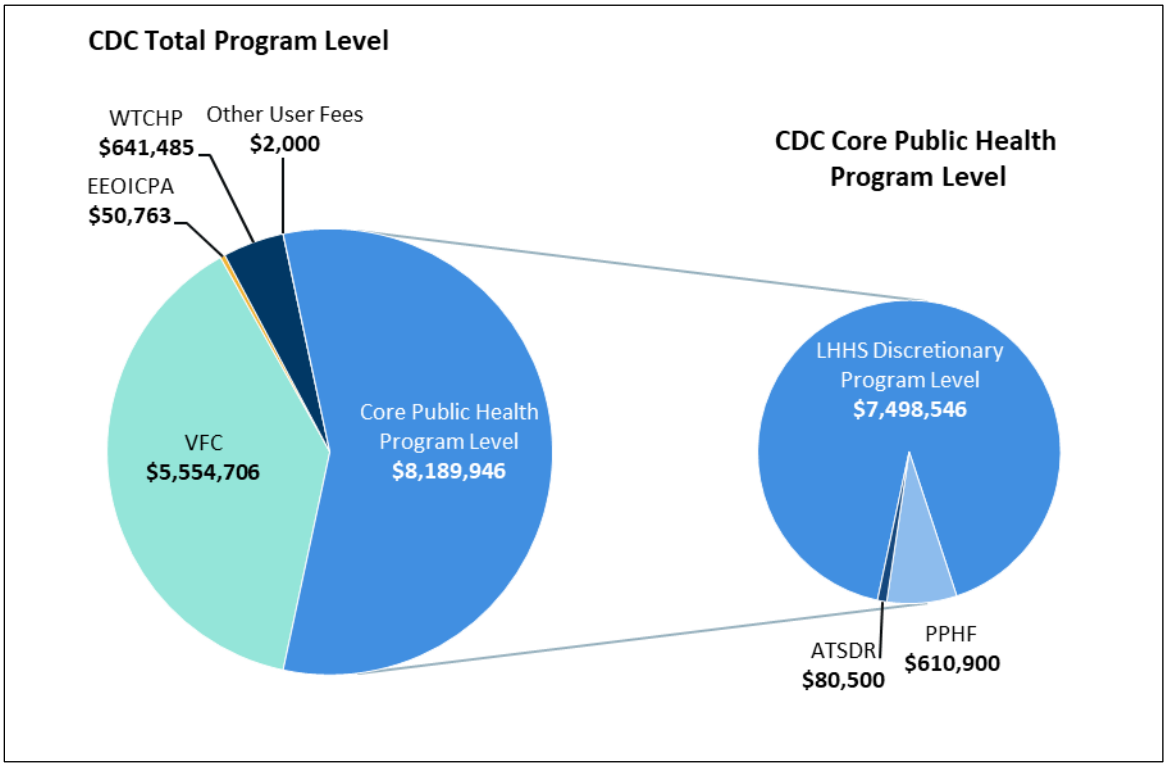
The other mandatory programs excluded from the core public health program level have funding levels that are mostly controlled by their program authorizations. The two largest programs—the Vaccines for Children (VFC) program and the World Trade Health Center Program (WTHCP)—primarily finance specific health services for eligible populations. Changes in annual funding reflect usage and demand for the program services. These programs' funding levels are therefore presented separately from CDC's core public health program level and are excluded from analysis of funding trends for the agency's main programmatic and operating expenses. These other mandatory programs are also generally presented separately from the rest of CDC's budget in the agency's own budget presentations.[12]

[11] See CDC, "FY2023 Budget Detail Table," https://www.cdc.gov/budget/documents/fy2023/FY-2023-CDC-Budget-Detail.pdf. CDC changes its budget presentations and categories from year to year.

[12] See, for example, CDC, "FY2023 Budget Detail Table," https://www.cdc.gov/budget/documents/fy2023/FY-2023-CDC-Budget-Detail.pdf.

Figure 2. FY2022 Centers for Disease Control and Prevention Program Level by Category and Budget Authority

Thousands of Dollars



Source: CDC, "FY2023 Budget Detail Table," https://www.cdc.gov/budget/documents/fy2023/FY-2023-CDC-Budget-Detail.pdf.

Notes: Acronyms: CDC = Centers for Disease Control and Prevention; WTCHP = World Trade Center Health Program; EEOICPA = Energy Employees Occupational Illness Compensation; VFC = Vaccines for Children; LHHS = Labor, Health and Human Services, Education, and Related Agencies appropriations bill; ATSDR = Agency for Toxic Substances and Disease Registry; PPHF = Prevention and Public Health Fund.

Core Public Health Program Level

CDC's core public health program level funds the main public health programs implemented by CDCs CIOs. Types of funded activities include but are not limited to: developing expertise and best practices in disease prevention and control; conducting and supporting public health research; supporting and conducting public health surveillance and data collection; developing public health laboratory capacity; supporting health education and promotion efforts; coordinating and providing technical assistance to public health programs at the state and local level; supporting some preventive health services programs (e.g., some vaccination and cancer screening programs); and supporting public health emergency preparedness and response efforts. Many of the programs support public health activities at the state and local level.[13]

CDC's core public health program level is made up of (1) discretionary appropriations; (2), mandatory appropriations from the Prevention and Public Health Fund (PPHF); and (3) some other funding sources, such as transfers from other accounts.

[13] See CDC, "Grant Funding Profiles," https://fundingprofiles.cdc.gov/.

Discretionary Appropriations. CDC receives funding through annual discretionary LHHS appropriations, while ATSDR is separately funded by Interior/Environment appropriations. Within LHHS appropriations, CDC receives funding in several accounts, many of which have titles that align with the names of CDC CIOs. Some accounts fund activities through multiple CIOs (e.g., Public Health Scientific Services). Some CDC accounts are for agency-wide activities, such as the Buildings and Facilities account and the CDC-Wide Activities and Program Support account.

As an example, the Injury Prevention and Control account funds activities at CDC's National Center for Injury Prevention and Control (NCIPC). The appropriations act text provides funding to the Injury Prevention and Control account with respect to such activities as authorized by several PHSA titles as shown in **Figure 3**.

Figure 3. Example of CDC Appropriation Language

From FY2021 LHHS Appropriations

INJURY PREVENTION AND CONTROL

For carrying out titles II, III, and XVII of the PHS Act with respect to injury prevention and control, $682,879,000.

Source: Consolidated Appropriations Act, 2021 (P.L. 116-260) Division H, Title II. 134 STAT. 1571.

Appropriations report language accompanying CDC appropriations generally specifies amounts for programs or activities funded by CDC accounts in greater detail than the appropriations act text. Shown below in **Figure 4** is the FY2021 report language and funding table accompanying the Injury Prevention and Control appropriation.[14]

[14] For a general overview of appropriations report language, see CRS Report R44124, *Appropriations Report Language: Overview of Components and Development*.

Figure 4. Example of CDC Appropriations Report Language

INJURY PREVENTION AND CONTROL

The agreement provides $682,879,000 for Injury Prevention and Control activities. Within this total, the agreement includes the following amounts:

Budget Activity	FY 2021 Agreement
Intentional Injury	$123,550,000
Domestic Violence and Sexual Violence	34,200,000
Child Maltreatment	7,250,000
Child Sexual Abuse Prevention	1,500,000
Youth Violence Prevention	15,100,000
Domestic Violence Community Projects	5,500,000
Rape Prevention	51,750,000
Suicide Prevention	12,000,000
Adverse Childhood Experiences	5,000,000
National Violent Death Reporting System	24,500,000
Unintentional Injury	8,800,000
Traumatic Brain Injury	6,750,000
Elderly Falls	2,050,000
Other Injury Prevention Activities	28,950,000
Opioid Overdose Prevention and Surveillance	475,579,000
Injury Control Research Centers	9,000,000
Firearm Injury and Mortality Prevention Research	12,500,000

Source: "Explanatory Statement Accompanying Consolidated Appropriations Act, 2021," *Congressional Record*, vol. 166 (December 21, 2020), p. H8623.

This CRS report focuses on account-level funding in **Table 1**. CDC's annual *Operating Plans* reflect programmatic funding levels within accounts as directed by appropriations report language.[15]

Mandatory Appropriations from the Prevention and Public Health Fund (PPHF). In recent years, some CDC LHHS accounts have received annual allocations of the mandatory PPHF appropriations as directed in LHHS appropriations laws. The PPHF was established in 2010 in Section 4002 the Affordable Care Act (ACA; P.L. 111-148, as amended) "to provide for expanded and sustained national investment in prevention and public health programs to improve health and help restrain the rate of growth in private and public sector health care costs."[16] The PPHF has its own appropriation (provided by its authorizing law) and its own account within the HHS Office of the Secretary. In recent years, appropriators have directed specific amounts of annual PPHF funding to specific CDC accounts and programs (in addition to other HHS agencies) through LHHS Appropriations Acts and accompanying report language.[17] See **Figure 5** for PPHF allocations from FY2021 appropriations.

[15] See CDC, *Operating Plans*, https://www.cdc.gov/budget/operating-plans/index.html.

[16] 42 U.S.C. § 300u-11(a).

[17] Prior to FY2014, the HHS Secretary determined uses of the PPHF funding. See CRS Report R44796, *The ACA Prevention and Public Health Fund: In Brief*, by Sarah A. Lister.

Figure 5. Example of Prevention and Public Health Fund Allocations

From FY2021 LHHS Appropriations

PREVENTION AND PUBLIC HEALTH FUND

Agency	Budget Activity	FY 2021 Agreement
ACL	Alzheimer's Disease Program	$14,700,000
ACL	Chronic Disease Self-Management	8,000,000
ACL	Falls Prevention	5,000,000
CDC	Hospitals Promoting Breastfeeding	9,500,000
CDC	Diabetes	52,275,000
CDC	Epidemiology and Laboratory Capacity Grants.	40,000,000
CDC	Healthcare Associated Infections	12,000,000
CDC	Heart Disease & Stroke Prevention Program.	57,075,000
CDC	Million Hearts Program	4,000,000
CDC	Office of Smoking and Health	128,100,000
CDC	Preventative Health and Health Services Block Grants.	160,000,000
CDC	Section 317 Immunization Grants	372,200,000
CDC	Lead Poisoning Prevention	17,000,000
CDC	Early Care Collaboratives	4,000,000
SAMHSA	Garrett Lee Smith—Youth Suicide Prevention.	12,000,000

Source: "Explanatory Statement Accompanying Consolidated Appropriations Act, 2021," *Congressional Record*, vol. 166 (December 21, 2020), p. H8634.

As shown in **Figure 5**, most of the FY2021 PPHF allocation went to CDC. Additional allocations went to the Administration for Community Living (ACL) and the Substance Abuse and Mental Health Services Administration (SAMHSA).

Other funding. CDC sometimes receives funding for its core public health program level through transfers from other sources, including both discretionary and mandatory appropriations, some subject to specific transfer rules.

Transfers. In some years, CDC has received transfers from other HHS accounts or appropriations subject to specific transfer authorities. For example, as shown in **Figure 6**, CDC has received occasional transfers from the Public Health and Social Services Emergency Fund (PHSSEF)[18] and the Nonrecurring Expenses Fund (NEF) accounts.[19] In some years, CDC also received LHHS discretionary appropriations under the Public Health Service (PHS) Program Evaluation Set-Aside, or the "PHS evaluation tap" transfer authority. Authorized by PHSA Section 241, the PHS evaluation tap allows the HHS Secretary, with the approval of appropriators, to redistribute a portion of eligible PHS agency appropriations across HHS for program evaluation purposes. Recent LHHS Appropriations Acts have established the higher maximum percentage for the set-aside and have distributed specific amounts of "Tap" funding to selected HHS programs. As shown in **Figure 6**, CDC has not received PHS evaluation tap funding since FY2014. The PHS

[18] The Public Health and Social Services Emergency Fund is an account of the HHS Secretary that funds several offices and programs including the Administration for Strategic Preparedness and Response (ASPR), the HHS Cybersecurity program, and the Office of National Security. It is also frequently used to provide emergency supplemental appropriations for transfer by the HHS Secretary to agencies in HHS and elsewhere, according to legislative direction.

[19] The NEF permits HHS to transfer unobligated balances of expired discretionary funds from FY2008 and subsequent years into the NEF account. Statute authorizes use of the funds for capital acquisitions, including information technology (IT) and facilities infrastructure (42 U.S.C. §3514a). Congress and the President can direct the funds to certain accounts through appropriations acts.

evaluation tap amounts shown in this CRS report reflect funds as appropriated, but do not reflect final amounts of transfers out of CDC accounts under the same authority.

Smaller mandatory appropriations for public health programs. Some smaller CDC public health programs have been funded by mandatory budget authorities, such as for the Childhood Obesity Demonstration Project,[20] as authorized in Social Security Act (SSA) Section 1139A(e)(8).[21]

Supplemental Appropriations

CDC has also received supplemental appropriations during public health emergencies and other specific incidents, such as during the COVID-19 pandemic, as discussed further in "Supplemental Appropriations for Public Health Emergencies." Of note, the recently enacted COVID-19 supplemental appropriations and the American Rescue Plan Act (P.L. 117-2) budget reconciliation measure included several major funding streams for general public health capabilities not specific to the pandemic, such as for data modernization. These additional appropriations are discussed in a separate section in this CRS report to distinguish regular appropriations for CDC's annual operations from these one-time appropriations.

Other Mandatory Programs

CDC also administers several health services and compensation programs that are funded by mandatory budget authorities and are distinct from the agency's core public health programs. In several cases, annual funding levels for these programs are determined by the program's authorizing law. In addition, CDC receives a small amount of user fees through authorized user fee programs.

The Vaccines for Children (VFC) program provides vaccines to enrolled health care providers to vaccinate eligible children.[22] As authorized in SSA Section 1928 (42 U.S.C. §1396s), the HHS Secretary can purchase vaccines as necessary for eligible children at a federally negotiated discounted price and then distribute vaccines to participating state and local health departments. State and local health departments then distribute a portion of the supply to participating health care providers and also administer vaccines through their own programs. In addition, some of the annual VFC funding is awarded to states and other jurisdictions for program operations and administration.[23] VFC is financed by a Medicaid appropriation within the HHS Centers for Medicare & Medicaid Services (CMS) and is administered by CDC.[24] Like other Medicaid programs, VFC is an appropriated entitlement, meaning that VFC funding is provided through LHHS appropriations acts, but the funding level is determined based on budget projections for meeting the funding needs of the program.[25]

[20] Social Security Act (SSA) Section 1139(e)(8).

[21] See, for example, funding for the CDC's Childhood Obesity Research Demonstration (CORD) Project was initially authorized through the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA; P.L. 111-3), and $25 million was appropriated for FY2010 through FY2014 through the Affordable Care Act (ACA; P.L. 111-148, as amended) in 2010. CDC, "Report to Congress on the Centers for Disease Control and Prevention's Childhood Obesity Research Demonstration Project," https://www.cdc.gov/obesity/downloads/strategies/report-to-congress-CORD-508.pdf.

[22] VFC is funded by mandatory Medicaid appropriations that are transferred annually to CDC. See 42 U.S.C. § 1396s.

[23] See "State Table: Vaccines for Children" in CDC, *FY2022 Congressional Budget Justification*, pp. 74-75, https://www.cdc.gov/budget/documents/fy2022/FY-2022-CDC-congressional-justification.pdf.

[24] Centers for Medicare & Medicaid Services (CMS), *FY2023 Congressional Budget Justification*, p. 107, https://www.cms.gov/files/document/fy2023-cms-congressional-justification-estimates-appropriations-committees.pdf.

[25] See CRS Report R42640, *Medicaid Financing and Expenditures*.

The Energy Employees Occupational Illness Compensation Program (EEOICP) provides compensation and medical benefits to eligible civilians (or their survivors) who have performed duties related to the nuclear weapons production and testing programs of the Department of Energy.[26] CDC provides support to the program by conducting radiation dose estimates, evaluating certain petitions, and providing other administrative support.[27] Annual funding for these CDC activities are generally provided pursuant to Section 151(b) of Division B, Title I of Consolidated Appropriations Act, 2001 (P.L. 106-554), which specifies that annual funding pursuant to that section shall be direct spending (i.e., mandatory appropriations).[28]

The World Trade Center Health Program (WTCHP) provides medical monitoring and treatment to eligible individuals directly affected by the September 11, 2001 attacks for certain incident-related health conditions. Furthermore, this program funds medical research into health conditions that may develop due to exposure during the attacks.[29] The program is authorized by PHSA Title XXXIII (42 U.S.C. § 300mm et seq.) and funded through mandatory appropriations in PHSA Section 3351 (42 USC §300mm–61).

User fee programs. CDC also receives relatively small amounts of user fees from authorized user fee programs such as the vessel sanitation program[30] and the respirator certification program.[31]

FY2022 and FY2023 Budget and Appropriations

The following provides an overview of the budget and appropriations for CDC's core public health program level in fiscal years 2022 and 2023. Other CDC mandatory appropriations are not addressed in the discussion as most are not subject to the annual appropriations process (except for EEOICP), though estimates and amounts for those programs are summarized in **Table 1**. However, some notable new mandatory programs proposed by the Biden Administration in FY2023 are discussed below to explain the FY2023 total proposed program level.

[26] CDC, "NIOSH Radiation Dose Reconstruction Program," https://www.cdc.gov/niosh/ocas/faqsact.html.

[27] CDC, "Energy Employees Occupational Illness Compensation Program Act (EEOICPA) Budget Request" in FY2022 Congressional Budget Justification, p. 302, https://www.cdc.gov/budget/documents/fy2022/FY-2022-CDC-congressional-justification.pdf.

[28] See, for example, in FY2021 LHHS appropriations, 134 STAT 1571 of Division H, Title II, P.L. 116-260.

[29] CDC, "World Trade Center Health Program," https://www.cdc.gov/wtc/.

[30] "The Vessel Sanitation Program (VSP) at the Centers for Disease Control and Prevention (CDC) assists the cruise ship industry to prevent and control the introduction, transmission, and spread of gastrointestinal (GI) illnesses on cruise ships." Under authority in in PHSA Section 361; 42 U.S.C. § 264. See CDC, "Vessel Sanitation Program," https://www.cdc.gov/nceh/vsp/default.htm.

[31] The respirator certification program conducts assessments and NIOSH approval of particulate filtering facepiece respirators. 42 C.F.R. Part 84. See also CDC, Respirator Certification Fees Schedules," https://www.cdc.gov/niosh/npptl/respcertfeescheduletables.html.

FY2022

President Biden submitted a summary of his FY2022 budget request for discretionary funding on April 9, 2021,[32] and subsequently released the full proposal on May 28, 2021. The request sought $9.579 billion for CDC's core public health program level, as follows:[33]

- $8.455 billion in LHHS discretionary budget authority for CDC,
- $82 million in Interior/Environmental discretionary budget authority for ATDSR,
- $903 million in PPHF funding, and
- $139 million under the PHS evaluation tap authority.

The requested FY2022 program level would have represented a $1.702 billion increase (+21.6%) over CDC's final FY2021 core public health program level of $7.877 billion.[34] As a significant addition under the FY2022 request, $400 million in new funding would have been provided for core public health infrastructure and capacity in the CDC-Wide Activities and Program Support account. Per the budget request, the goal of the new funding was "to address critical gaps in public health infrastructure and facilitate the transition from sporadic emergency funding to a sustainable model that can respond to ongoing challenges and prevent future crises."[35]

In March 2022, Congress and the President enacted the Consolidated Appropriations Act, 2022 (P.L. 117-103), which provided FY2022 LHHS appropriations in Division H and Interior/Environment appropriations in Division G. The law provided CDC a total core public health program level of $8.482 billion, comprising the following:

- $7.499 billion in LHHS discretionary appropriations for CDC,
- $81 million in Interior/Environment discretionary appropriations for ATSDR, and
- $903 million in mandatory PPHF appropriations.

The FY2022 enacted funding level represented a $606 million (+7.7%) increase from the FY2021 final core public health program level and was $1.1 billion (-11.5%) less than the President's FY2022 budget request. The requested new Public Health Infrastructure and Capacity appropriation was funded at $200 million in the CDC-Wide Activities and Program Support account—50% less than proposed in the request.

FY2023

President Biden's FY2023 budget request for CDC proposes a core public health program level of $38.76 billion made up of the following:[36]

- $9.621 billion in LHHS discretionary appropriations for CDC,

[32] Letter from Shalanda D. Young, Office of Management and Budget Acting Director, to The Honorable Patrick Leahy, Chairman Committee on Appropriations, April 9, 2021, https://www.whitehouse.gov/wp-content/uploads/2021/04/FY2022-Discretionary-Request.pdf.

[33] This report uses budget request numbers from *Congressional Record*, vol. 168, No. 42, (March 9, 2022), H2860-H2862.

[34] The final funding level reflects post-appropriations transfers and other adjustments.

[35] CDC, *Congressional Budget Justification: FY2022*, https://www.cdc.gov/budget/documents/fy2022/FY-2022-CDC-congressional-justification.pdf, p. 10.

[36] CDC, *Congressional Budget Justification: FY2023*, https://www.cdc.gov/budget/documents/fy2023/FY-2023-CDC-congressional-justification.pdf.

- $85 million in Interior/Environment discretionary appropriations for ATSDR,
- $903 million in mandatory PPHF appropriations,
- $151 million subject to the PHS evaluation tap transfer authority, and
- $28 billion in proposed new mandatory public health preparedness funding, available over five years.

This requested FY2023 core public health program level, including the new mandatory public health preparedness funding, represents a $30.277 billion (+356.9%) increase over the FY2022 enacted program level. Of the total increase, 92.5% of the amount is from the new proposed mandatory pandemic preparedness appropriation (explained in the next section). Excluding the pandemic preparedness funding, the proposed core public health program level is $10.675 billion, which would represent a $2.273 billion (+27.1%) increase over the FY2022 enacted program level.

In addition, the request proposes a significant change in how annual discretionary funding is appropriated to CDC. Specifically, the request proposes consolidating 13 CDC LHHS accounts under a single appropriations heading, CDC-Wide Activities and Program Support.[37] According to the request, this consolidation would "enable the agency to more easily access all of its resources to address a crisis" and mount a "whole of agency" response to a public health threat.[38] This change would return CDC's appropriations account structure to that of FY2010 and earlier years when CDC received almost all of its discretionary appropriations under one heading.[39]

The budget request's proposed LHHS discretionary appropriations legislative text would provide the $9.621 billion total with a few set-asides specified in law, including $128.4 million for international HIV/AIDS programs, $353.2 million for global health protection, $600 million for public health infrastructure and capacity, and $50 million for forecasting epidemics and analytics (all are existing programs).[40] Separately, CDC has published a detailed budget table for FY2023 by programs, projects, and activities comparable to the current budget structure as shown in **Table 1**. Per the request, CDC plans to continue to maintain accountability and transparency for "the programs, projects and activities described in Congressional reports."[41]

Pandemic Preparedness Proposal

The FY2023 request proposes an HHS-wide total of $81.7 billion in mandatory appropriations for pandemic preparedness, available for five years, with $28 billion of the total designated for CDC. The new HHS-wide mandatory appropriation—which would be likely authorized and controlled outside of the annual appropriations process—would "support the Administration's plan to transform U.S. capabilities to prepare for and respond rapidly and effectively to future pandemics

[37] Accounts consolidated would include: Immunization and Respiratory Diseases, HIV/AIDS, Viral Hepatitis, STI and TB Prevention, Emerging and Zoonotic Infectious Diseases, Chronic Disease Prevention and Health Promotion, Birth Defects, Developmental Disabilities, Disability and Health, Environmental Health, Injury Prevention and Control, Public Health Scientific Services, Global Health, Public Health Preparedness and Response, and Cross-Cutting Activities and Program Support.

[38] See 123 Stat 3241 in Consolidated Appropriations Act, 2010, P.L. 111-117.

[38] CDC, *Congressional Budget Justification: FY2023*, p. 31.

[39] See 123 Stat 3241 in Consolidated Appropriations Act, 2010, P.L. 111-117.

[40] CDC, *Congressional Budget Justification: FY2023*, p. 36.

[41] CDC, *Congressional Budget Justification: FY2023*, p. 31.

and other high consequence biological threats."[42] Per the request, the CDC appropriation would support domestic and international public health surveillance and data monitoring activities; medical countermeasure distribution networks; public health research, analytics, and forecasting; public health laboratories; and other infrastructure and core capability investments such as for emergency response structures, workforce, and data modernization.[43]

Other Legislative Proposals

CDC's FY2023 budget request also includes several proposed mandatory programs or program changes that would be authorized and likely controlled outside of the annual appropriations process. The amounts shown in **Table 1** reflect the following proposals:[44]

- **Vaccines for Adults Program.** According to the request, CDC submitted a legislative proposal for mandatory funding of $25 billion provided over 10 years to establish a new Vaccines for Adults program. The program would provide Advisory Committee on Immunization Practices (ACIP)-recommended vaccines to uninsured adults at no cost. Funded program activities would comprise vaccine purchase, provider fees, and program operations.
- **VFC program modifications.** CDC proposes expanding eligibility for the VFC program to all children under 19 years of age enrolled in the Children's Health Insurance Program (CHIP). The proposal would also change the fee structure for providers participating in the program. The FY2023 requested amount for VFC in **Table 1** reflects the proposed program modifications. According to the budget request, the FY2023 VFC funding estimate based on current law is $5.609 billion.[45]

Funding Table

Table 1 provides an overview of CDC/ATSDR budget and appropriations for FY2021 (final)[46] through the FY2023 budget request, reflecting all sources of regular budget authority (excludes supplemental appropriations).

Table 1. Centers for Disease Control and Prevention (CDC) and Agency for Toxic Substances and Disease Registry (ATSDR) Appropriations, FY2021-FY2023 Request

(Millions of Dollars)

Program or Activity	2021 Final	2022 Request	2022 Enacted	2023 Request[a]
Immunization and Respiratory Diseases	**820**	**946**	**868**	**1,251**
PPHF Transfer (non-add)	*(372)*	*(419)*	*(419)*	*(419)*
HIV/AIDS, Viral Hepatitis, STI and TB	**1,310**	**1,421**	**1,345**	**1,471**

[42] CDC, *Congressional Budget Justification: FY2023*, pp. 58-59.

[43] CDC, *Congressional Budget Justification: FY2023*, pp. 58-59.

[44] CDC, *Congressional Budget Justification: FY2023*, pp. 58-59.

[45] CDC, FY2023 Budget Detail Table, https://www.cdc.gov/budget/documents/fy2023/FY-2023-CDC-Budget-Detail.pdf.

[46] FY2021 final funding level reflects post-enactment transfers and other adjustments.

Program or Activity	2021 Final	2022 Request	2022 Enacted	2023 Request[a]
Emerging & Zoonotic Infectious Diseases	**646**	**678**	**693**	**703**
PPHF Transfer (non-add)	*(52)*	*(52)*	*(52)*	*(52)*
Chronic Disease Prevention and Health Promotion	**1,274**	**1,453**	**1,339**	**1,612**
PPHF Transfer (non-add)	*(255)*	*(255)*	*(255)*	*(255)*
Birth Defects, Developmental Disabilities, Disability and Health	**167**	**173**	**177**	**195**
Environmental Health	**222**	**333**	**228**	**402**
PPHF Transfer (non-add)	*(17)*	*(17)*	*(17)*	*(17)*
PHS Evaluation Transfer (non-add)	—	*(7)*	—	*(7)*
Vessel Sanitation (as appropriated in P.L. 117-43*, Sec. 138*[b]*)*	—	—	*(2)*	—
Injury Prevention and Control	**681**	**1,103**	**715**	**1,283**
Public Health Scientific Services	**590**	**742**	**652**	**799**
PHS Evaluation Transfer (non-add)	—	*(132)*	—	*(144)*
Occupational Safety and Health	**344**	**345**	**352**	**345**
Global Health	**591**	**698**	**647**	**748**
Public Health Preparedness and Response	**840**	**842**	**862**	**842**
Crosscutting Activities and Program Support	**284**	**709**	**494**	**969**
PPHF Transfer (non-add)	*(160)*	*(160)*	*(160)*	*(160)*
Office of the Director	*(114)*	*(114)*	*(114)*	*(124)*
Infectious Diseases Rapid Response Reserve Fund	*(10)*	*(35)*	*(20)*	*(35)*
Public Health Infrastructure and Capacity	—	*(400)*	*(200)*	*(600)*
Center for Forecasting and Analytics	—	—	—	*(50)*
Buildings and Facilities	**30**	**55**	**30**	**55**
Pandemic Preparedness (proposed mandatory)	—	—	—	**28,000**
Agency for Toxic Substances and Disease Registry (ATSDR)[c]	**78**	**82**	**84**	***85***
Total, Core Public Health Program Level (CPHPL)	**7,877**	**9,579**	**8,482**	**38,760**
Less Pandemic Preparedness (proposed mandatory)	—	—	—	-28,000
Total, CPHPL without Pandemic Preparedness	**7,877**	**9,579**	**8,482**	**10,675**
Less PPHF (mandatory)	-856	-903	-903	-903
Less PHS Evaluation Transfer	—	139	—	-151
Total, CDC/ATSDR Discretionary BA	**7,020**	**8,676**	**7,578**	**9,706**
Less ATSDR	-78	-82	-84	-85
Total, CDC LHHS Discretionary BA	**6,942**	**8,455**	**7,499**	**9,621**
Other Mandatory Programs[d]				
Vaccines for Children (VFC)	**3,806**	**5,555**	**5,555**	**5,859**

Program or Activity	2021 Final	2022 Request	2022 Enacted	2023 Request[a]
Energy Employees Occupational Illness Compensation Program Act (EEOICPA)[e]	**51**	**51**	**51**	**51**
World Trade Center Health Program (WTCHP)	**551**	**641**	**641**	**710**
User Fees	**2**	**2**	**2**	**2**
Vaccines for Adults (proposed mandatory)	—	—	—	**2,088**
Total Other Mandatory Programs	**4,407**	**6,249**	**6,249**	**8,709**
Total, Core Public Health Program Level + Other Mandatory	**12,286**	**15,828**	**14,732**	**47,469**

Source: FY2021 final amounts, FY2023 request amounts, and mandatory program amounts for all years are from CDC, "FY2023 Budget Detail Table," https://www.cdc.gov/budget/documents/fy2023/FY-2023-CDC-Budget-Detail.pdf. FY2022 enacted discretionary appropriations and FY2022 request discretionary appropriations are from *Congressional Record,* vol. 168, No. 42, (March 9, 2022), H2860-H2862, except where noted below.
Notes: Individual amounts may not add to subtotals or totals due to rounding. Final amounts for FY2021 differ from enacted funding levels due to transfers and other adjustments. Acronyms: HIV = Human Immunodeficiency Virus; AIDS = Acquired Immunodeficiency Syndrome; STI = Sexually Transmitted Infection; TB = Tuberculosis.

a. The FY2023 request proposes consolidating 13 CDC LHHS discretionary accounts into a single account.

b. The Extending Government Funding and Delivering Emergency Assistance Act (P.L. 117-43), one of the FY2022 continuing resolutions, provided an additional $1.5 million for CDC's vessel sanitation program.

c. Provided separately in the Interior/Environment appropriations act. FY2022 enacted amount from *Congressional Record,* vol. 168, No. 42, (March 9, 2022), H2496. FY2022 request amount from CDC, "FY2022 Budget Detail Table," https://www.cdc.gov/budget/documents/fy2022/FY-2022-CDC-Budget-Detail.pdf.

d. FY2022 and FY2023 amounts are estimates for VFC. WTCHP, User Fees, and Vaccines for Adults.

e. Per the FY2023 budget request table, all amounts for EEOICPA reflect sequestration and therefore differ from appropriated funding levels.

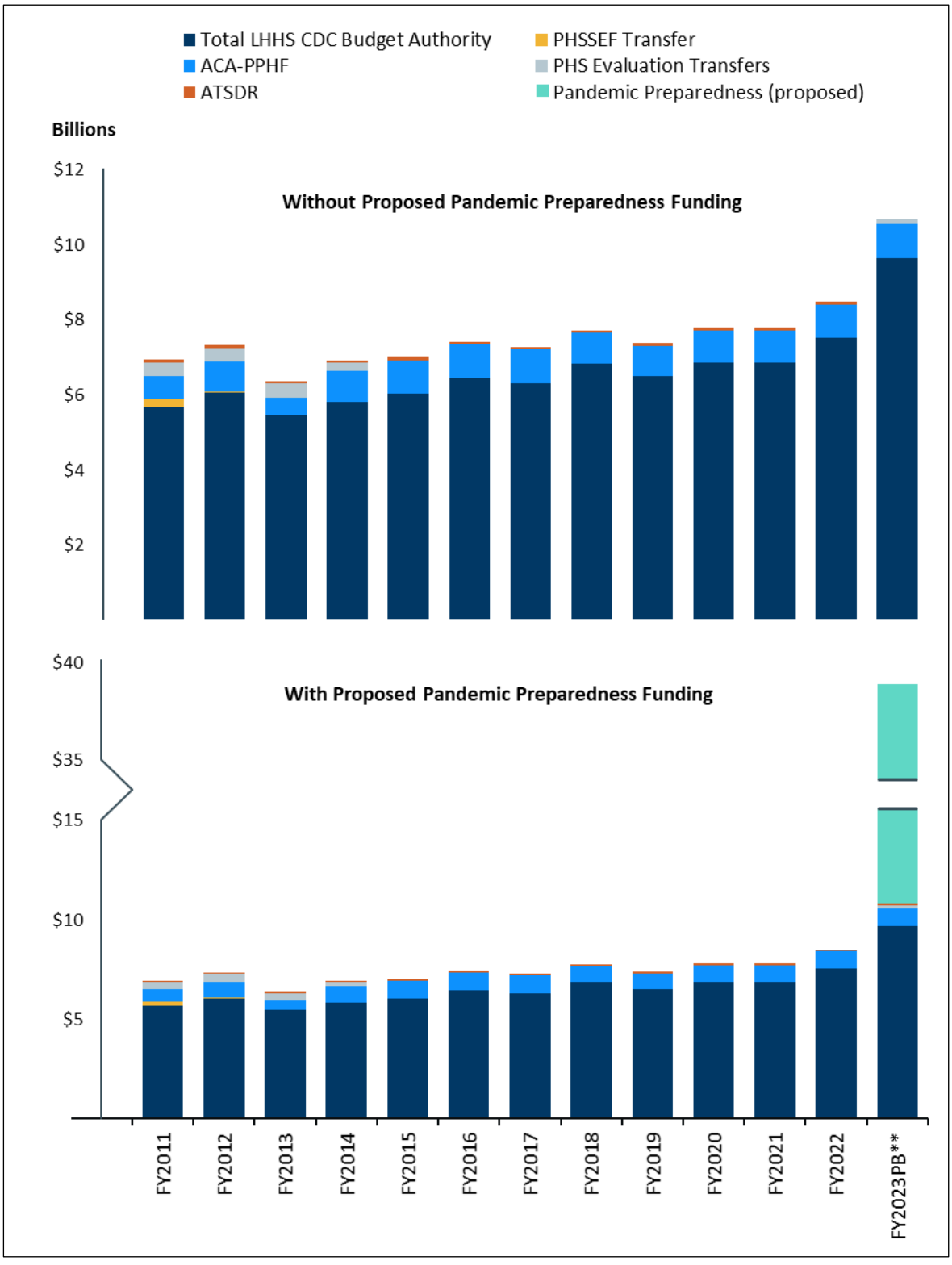
Trends in Core Public Health Program Level

As shown in **Figure 6** from FY2011 to FY2023, CDC's core public health program level has remained mostly between $6.5 and $8 billion until the increase provided in FY2022 (not adjusted for inflation). From FY2011 to FY2021, CDC saw annual increases and decreases in its core public health funding level ranging from 1 to 6% (except for FY2013). For FY2013—the lowest funding level in the period covered—budget sequestration of nonexempt discretionary spending occurred.[47]

[47] CDC, "Fact Sheet: Impact of Sequestration and other Budget Changes on the Centers for Disease Control and Prevention," https://www.cdc.gov/budget/documents/fy2013/fy-2013-sequester-impacts.pdf.

Figure 6. Trends in Core Public Health Program Level

FY2011-FY2023



Source: CDC Congressional Budget Justifications, and sources in Table 1.

Notes: FY2023PB* reflects Presidential Budget Request without the proposed Pandemic Preparedness funding; FY2023PB** reflects Presidential Budget Request with the proposed Pandemic Preparedness funding. Acronyms: CDC = Centers for Disease Control and Prevention; LHHS = Labor, Health and Human Services, Education, and Related Agencies appropriations bill; ATSDR = Agency for Toxic Substances and Disease Registry; PPHF = Prevention and Public Health Fund; PHSSEF = Public Health and Social Services Emergency Fund; PHS = Public Health Service.

CDC Budget in Context

Supplemental Appropriations for Public Health Emergencies and Other Incidents

CDC regularly receives supplemental or one-time appropriations in response to public health emergencies and other incidents. For example, since 2019, CDC has received supplemental appropriations for hurricane and natural disaster response (for example, in P.L. 116-20), the Coronavirus Disease 2019 (COVID-19) pandemic,[48] medical screening and supports for Afghan refugees (P.L. 117-70), and for domestic and global activities related to the 2022 war in Ukraine (P.L. 117-128). These amounts are not reflected in the other sections of this report as they are not intended to fund the regular operating expenses and programs of the agency. While these supplemental funds are, in most cases, primarily intended for the specific incident for which they are appropriated, they are sometimes correlated with cycles of funding increases and decreases for overall public health capacity at the federal, state, and local levels. Large historical supplemental appropriations to the agency and subsequent funding awards to state and local agencies include:

- **H1N1 influenza pandemic, 2009.** In response to the H1N1 influenza pandemic, CDC received over $600 million and awarded $1.4 billion through its Public Health Emergency Response (PHER) grant to state and local partners.[49] These funds were made available to CDC from the Supplemental Appropriations Act of 2009 (P.L. 111-32), enacted in June 2009.
- **Ebola outbreak, 2014-2015.** In response to the Ebola outbreak, Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235; Division G), enacted in December 2014, provided CDC with $1.771 billion for both domestic and international Ebola preparedness and response efforts.[50] Using these funds, CDC provided several supplemental grants to state and local agencies, including $145 million through the Public Health Emergency Preparedness (PHEP) cooperative agreement and over $114 million through the Epidemiology and Laboratory Capacity (ELC) grant program.[51]

[48] See CRS Report R46711, *U.S. Public Health Service: COVID-19 Supplemental Appropriations in the 116th Congress* and CRS Report R46834, *American Rescue Plan Act of 2021 (P.L. 117-2): Public Health, Medical Supply Chain, Health Services, and Related Provisions*.

[49] U.S. Government Accountability Office, *Influenza Pandemic: Lessons from the H1N1 Pandemic Should be Incorporated into Future Planning*, GAO-11-632, June 2011, pp. 7, 16, https://www.gao.gov/assets/gao-11-632.pdf.

[50] P.L. 113-234, 128 Stat. 2520.

[51] CDC, "Ebola Funding," https://www.cdc.gov/cpr/readiness/funding-ebola.htm, and data provided by CDC to CRS on April 22, 2022. See also U.S. Government Accountability Office, *Infectious Disease Threats: Funding and Performance of Key Preparedness and Capacity-Building Programs*, May 2018, https://www.gao.gov/assets/gao-18-362.pdf.

- **Zika outbreak, 2016.** The Zika Response and Preparedness Appropriations Act, 2016 (P.L. 114-123; Division B) provided $394 million to CDC in supplemental appropriations preparedness and response to the Zika outbreak, domestically and internationally.[52] CDC obligated a portion of the funding to state and local agencies through several grant programs, including over $184 million through the ELC grant program.[53]
- **COVID-19 pandemic, 2020-present.** As reported by GAO, as of February 28, 2022, CDC has received $27.226 billion through the COVID-19 relief appropriations measures.[54] Some of the one-time public health funding in the American Rescue Plan Act (ARPA; P.L. 117-2) was not tied to the pandemic, but instead was made available for general public health capabilities, such as for data modernization (Section 2404; $500 million). In addition, CDC has administered over $40 billion in appropriations on behalf of HHS through its grant programs (from the PHSSEF account).[55] As a result, $56.119 billion in CDC COVID-19 grants have been awarded to state, tribal, and local agencies as of February 1, 2022.[56] For more information on CDC funding in the COVID-19 relief laws, see, CRS Report R46711, *U.S. Public Health Service: COVID-19 Supplemental Appropriations in the 116th Congress* and CRS Report R46834, *American Rescue Plan Act of 2021 (P.L. 117-2): Public Health, Medical Supply Chain, Health Services, and Related Provisions*.

Congress often appropriates emergency supplemental funding to HHS on a flexible basis, and therefore HHS decides the final allocation of funds among HHS operating divisions (such as CDC). Final data on HHS supplemental appropriations allocations are not available for all public health emergencies listed above.

CDC Infectious Diseases Rapid Response Reserve Fund

Through FY2019 appropriations (P.L. 115-245), Congress established an Infectious Diseases Rapid Response Reserve Fund (IDRRRF) at CDC.[57] The IDRRRF is an emergency reserve fund available specifically for infectious disease emergencies. Funds may be drawn from IDRRRF for an infectious disease emergency if the HHS Secretary:

[52] P.L. 114-223, 130 Stat. 901- 130 Stat. 902.

[53] U.S. Government Accountability Office, *Zika Supplement: Status of HHS Agencies' Obligations, Disbursements, and the Activities Funded*, GAO-18-389, May 2018, pp. 33-54, https://www.gao.gov/assets/gao-18-389.pdf, and data provided by CDC to CRS on April 22, 2022.

[54] CDC received funding from five different COVID-19 relief laws: P.L. 116-123, P.L. 116-136, P.L. 116-139, P.L. 116-260, and P.L. 117-2. These allocations include appropriations specifically directed to CDC in the laws and appropriations allocated by the HHS Secretary to CDC. U.S. Government Accountability Office, *COVID-19: Current and Future Federal Preparedness Requires Fixes to Improve Health Data and Address Improper Payments*, GAO-22-105397, April 27, 2022, https://files.gao.gov/reports/GAO-22-105397/index.html#appendix4.

[55] CDC, "CDC in Action: Working 24/7 to Stop the Threat of COVID-19," February 4, 2021, https://www.cdc.gov/budget/documents/covid-19/CDC-247-Response-to-COVID-19-fact-sheet.pdf, and HHS, "Biden Administration to Invest More Than $12 Billion to Expand COVID-19 Testing," press release, March 17, 2021, https://www.hhs.gov/about/news/2021/03/17/biden-administration-invest-more-than-12-billion-expand-covid-19-testing.html.

[56] CDC, "CDC COVID-19 State, Tribal, Local, and Territorial Funding," last updated February 1, 2022, https://www.cdc.gov/budget/fact-sheets/covid-19/funding/index.html.

[57] Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019, P.L. 115-245, Division B, Title II, Section 231. Codified at 42 U.S.C. §247d-4a.

- declares a public health emergency pursuant to PHSA Section 319, or
- determines that the infectious disease emergency "has significant potential to imminently occur and potential, on occurrence, to affect national security or the health, and security of United States citizens, domestically or internationally."

The CDC Director may transfer IDRRRF funds to other CDC accounts as well as to National Institutes of Health (NIH) accounts or the PHSSEF account.[58]

Since FY2019, the IDRRRF has received the following regular and supplemental appropriations shown in **Table 2**.

Table 2. Appropriations History to the IDRRRF Account

Fiscal Year	Law and Type of Appropriation	Amount (dollars in millions)
FY2019	P.L. 115-245, regular	$50
FY2020	P.L. 116-94, regular	$85
	P.L. 116-123, supplemental	$300
	P.L. 116-136, supplemental	$300
FY2021	P.L. 116-260 (Division H), regular	$10
FY2022	P.L. 117-103, regular	$20

Source: CRS analysis of appropriations laws.

IDRRRF funding has been used for multiple responses, including for recent Ebola outbreaks in Africa and for the COVID-19 pandemic response.[59] As of July 29, 2022, the IDRRRF has an unobligated balance of $609.4 million.[60]

Other reserve fund accounts outside of CDC can also support public health emergency response. These include the (1) Public Health Emergency Fund [PHSA Sec. 319(b), 42 USC 247d(b)] and (2) the Disaster Relief Fund at the Department of Homeland Security. (A detailed discussion of these funding sources is outside the scope of this report.) The Public Health Emergency Fund currently has a balance of $56,000 and has not received appropriations for many years.[61] Transfers from the Disaster Relief Fund have funded HHS's response to non-infectious disease emergencies, such as for natural disasters, pursuant to authorities in the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act; 42 U.S.C. §§5721 et seq.). Stafford Act assistance was not available for HHS's response to three recent infectious disease epidemics prior to the Coronavirus Disease 2019 (COVID-19) pandemic—the H1N1 influenza pandemic in

[58] Per footnote 20, the PHSSEF account funds ASPR, the HHS lead office for medical and public health preparedness for, response to, and recovery from disaster and public health emergencies. ASPR oversees several programs, including the Biomedical Advanced Research and Development Authority and the Strategic National Stockpile.

[59] See "Response Funding" section of CRS Report R46219, *Overview of U.S. Domestic Response to Coronavirus Disease 2019 (COVID-19)*.

[60] USASpending.gov, "Infectious Diseases Rapid Response Reserve Fund, Centers for Disease Control, Health and Human Services," last updated June 30, 2022, https://www.usaspending.gov/federal_account/075-0945.

[61] USASpending.gov, "Public Health Emergency Fund, Public Health Services, Office of Assistant Secretary for Health, Health and Human Services," https://www.usaspending.gov/federal_account/075-1104.

2009, the Ebola virus outbreak in 2014, and the Zika virus outbreak in 2016.[62] Congress subsequently established the IDRRRF in 2018.

State and Local Funding for Public Health

In the U.S. federal system, most public health activities are carried out by state and local governments. A large portion of CDC's annual budget is awarded as external financial assistance (typically in the form of grants or cooperative agreements)—especially to state and local health departments. For example, in FY2019, 58% of CDC's $5.652 billion in grants were awarded to government entities, the majority of which were state and local government recipients.[63] As a major source of funding, CDC budget trends influence state and local budgets for public health initiatives. State and local health departments also receive federal funding from other agencies (e.g., Heath Services and Resources Administration), but CDC is a main source of funding for core public health activities such as infectious disease control or chronic disease prevention. CDC's funding awards complement state and local governments' own funding for public health. CDC's funding and its overall impact on U.S. public health capacity are perhaps best viewed in the context of state and local funding trends.

Trends

There is no single source of standardized and generally accepted data on public health funding at the federal, state, and local level, which hinders any analysis of public health funding trends.[64] Analyses have found differing trends in state and local public health funding in recent years. Federal data in the National Health Expenditure (NHE) Accounts show that state and local investments for public health grew from $73.5 billion in 2014 to $91.7 billion (+24.8%) by 2019.[65]

However, academic researchers (Leider, Resnick, and McCullough, 2020) have argued that the NHE data overestimates actual spending on public health.[66] An analysis by Alfonso, Leider, and Resnick (2021) used different methodology from NHE, and found that state government spending on public health had remained mostly flat or declined between 2008 and 2018 with some

[62] See CRS Insight IN11229, *Stafford Act Assistance for Public Health Incidents*.

[63] CDC, "Office of Financial Resources: FY2019 Assistance Snapshot," https://www.cdc.gov/funding/documents/fy2019/fy-2019-ofr-assistance-snapshot-508.pdf. FY2019 data are cited here instead of FY2020 and FY2021 data, as those years reflect significant amounts of COVID-19-specific grant funding that are not reflective of CDC's usual grant practices.

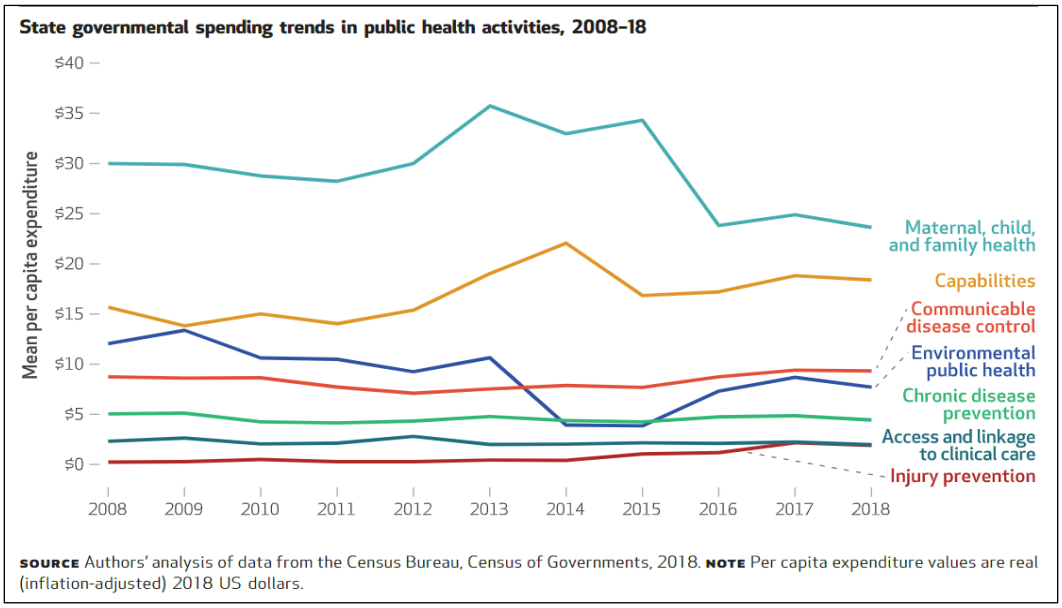
[64] Arthur L. Sensenig, Beth A. Resnick, and Jonathon P. Leider, et al., "The Who, What, How, and Why of Estimating Public Health Activity Spending," *Public Health Management and Practice*, vol. 23, no. 6 (November/December 2017), pp. 556-559.

[65] Micah Hartman, Anne B. Martin, and Benjamin Washington, et al., "National Health Care Spending In 2020: Growth Driven By Federal Spending In Response To The COVID-19 Pandemic," *Health Affairs*, vol. 1 (2022), pp. 13-25. 2020 data excluded because of the large one-time funding increases for public health during the COVID-19 pandemic. The National Health Expenditures Accounts classify multiple federal public health agency appropriations into the overall "public health activity" category, including CDC and the U.S. Food and Drug Administration. The state and local funding is based on census data on state and local government budgets. Federal grant awards to state and local governments are deducted to avoid double counting the federal funding in the state and local funding category. See Centers for Medicare & Medicaid Services, *National Health Expenditure Accounts: Methodology Paper, 2020*, pp. 27-28, https://www.cms.gov/files/document/definitions-sources-and-methods.pdf.

[66] Jonathan P. Leider, Beth Resnick, and Mac McCullough, et al., "Inaccuracy of Official Estimates of Public Health Spending in the United States, 2000–2018," *American Journal of Public Health*, vol. 110 (April 4, 2020), pp. S194-S196.

variability across states.[67] (State public health spending amounts in this analysis include federal funding to states, whereas the NHE state and local data do not.) **Figure 7** shows per capita inflation-adjusted trends in state spending by public health category from the 2021 analysis.

Figure 7. Inflation-adjusted Trends in State Spending on Public Health by Category Per Capita from Alfonso, Leider, and Resnick, et al. (2021).



Source: Y. Natalia Alfonso, Jonathon P. Leider, and Beth Resnick, et al., "U.S. Public Health Neglected: Flat or Declining Spending Left States Ill Equipped To Respond to COVID-19," *Health Affairs*, vol. 40, no. 4 (April 2021), p. 667.

Notes: Analysis used data from Census Bureau's State Finance Division files as reported by state budget offices to the Census Bureau. The study authors re-coded the data to classify spending as public health spending. Analysis does not include public health spending by local (county) governments. However, amounts do include federal grants made to states as well as state funding that is ultimately transferred to local governments.

Another source of data—the Association of State and Territorial Health Officials' (ASTHO) survey of state health departments—shows the following funding trends for specific categories relevant to pandemic preparedness:[68]

- **For public health all-hazards preparedness and response activities,** state funding for preparedness and response programs remained relatively constant from 2010 to 2018 ($101 million to $112 million). However, federal funding to states for preparedness and response declined approximately 48.5% from $1.440 billion in 2010 to $742 million in 2018.
- **For infectious disease prevention and control programs,** state funding declined approximately 37.2% from $709 million in 2010 to $445 million in 2018. On the other hand, federal funding to states for infectious disease

[67] Y. Natalia Alfonso, Jonathan P. Leider, and Beth Resnick, "US Public Health Neglected: Flat Or Declining Spending Left States Ill Equipped To Respond To COVID-19," *Health Affairs*, vol. 40, no. 4 (March 25, 2021).

[68] Association of State and Territorial Health Officials (ASTHO), "State Health Agency Expenditures: 2010-2018," https://www.astho.org/globalassets/pdf/state-health-agency-expenditures-2010-2018.pdf.

prevention and control activities declined approximately 10% from $1.095 billion in 2010 to $985 million in 2018.

Local health departments receive funding from federal, state, and local sources. Local health departments have also reported flat or declining spending in recent years. According to a survey of local health departments by the National Association of County and City Health Officials (NACCHO), inflation-adjusted median per capita expenditures by local health departments increased from $44 in 2008 to $50 in 2010, and then fell back to $41 by 2019.[69] Both ASTHO's and NACCHO's surveys rely on reported data from health departments, and therefore are subject to some limitations.

Other Funding-Related Challenges

Aside from overall trends, observers have cited other challenges in CDC public health funding faced at the state and local level, including:

- **Variability.** As noted earlier, supplemental appropriations for public health emergencies can lead to periodic increases and decreases in overall public health funding at the federal, state, and local levels. Some analysts have characterized emergency funding as contributing to "boom and bust" cycles where public health capacity developed during an emergency is later lost due to subsequent funding decreases.[70] Some have also argued that reliance on the annual appropriations process results in year-to-year funding variability that adversely affects continuity of programs at the state and local level.[71]
- **Siloed and categorical funding.** As shown in this report, CDC has received annual appropriations in recent years for disease or activity-specific categories. These appropriations are then further designated for specific programs through appropriations report language. States and other jurisdictions then receive categorical public health grants from these appropriations. Some analysts have argued that siloed and categorical grants have hindered state and local public health agencies' ability to spend according to their priorities or emerging needs. Analysts have also argued that state and local health agencies have not had sufficient flexibility to spend categorical grants on general capabilities, such as workforce and technology.[72]

[69] National Association of County and City Health Officials (NACCHO), "2019 National Profile of Local Health Departments," p.69, https://www.naccho.org/uploads/downloadable-resources/Programs/Public-Health-Infrastructure/NACCHO_2019_Profile_final.pdf.

[70] Karen DeSalvo, Bob Hughes, and Mary Bassett, et al., *Public Health COVID-19 Impact Assessment: Lessons Learned and Compelling Needs*, National Academy of Medicine, April 7, 2021, https://nam.edu/public-health-covid-19-impact-assessment-lessons-learned-and-compelling-needs/, and Bipartisan Policy Center, *Positioning America's Public Health System for the Next Pandemic*, June 2021, p. 40, https://bipartisanpolicy.org/download/?file=/wp-content/uploads/2021/06/Public-Health-Report_RV2.pdf, and Michelle R. Smith, Lauren Weber, and Hannah Recht, "Public Health Experts Worry About Boom-Bust Cycle of Support," *Kaiser Health News*, April 19, 2021, https://khn.org/news/article/public-health-experts-worry-about-boom-bust-cycle-of-support.

[71] Institute of Medicine (now National Academy of Medicine), *For the Public's Health: Investing in a Healthier Future*, April 10, 2012, https://www.ncbi.nlm.nih.gov/books/NBK201023/.

[72] Karen DeSalvo, Bob Hughes, and Mary Bassett, et al., *Public Health COVID-19 Impact Assessment: Lessons Learned and Compelling Needs*, National Academy of Medicine, April 7, 2021, https://nam.edu/public-health-covid-19-impact-assessment-lessons-learned-and-compelling-needs/, and Bipartisan Policy Center, *Positioning America's Public Health System for the Next Pandemic*, June 2021, pp. 38-39, https://bipartisanpolicy.org/download/?file=/wp-content/uploads/2021/06/Public-Health-Report_RV2.pdf, and Trust for America's Health, *The Impact of Chronic*

Underfunding on America's Public Health System, 2021, p.11 https://www.tfah.org/wp-content/uploads/2021/05/2021_PHFunding_Fnl.pdf.

- **Competitive grant programs.** In many cases, CDC does not receive enough funding for a specific program to award a grant to every state or local jurisdiction. In these cases, CDC awards the funding through a competitive application process (consistent with federal requirements), unless the process for awarding the funds is otherwise specified in law.[73] Some observers have argued that competitive funding disproportionately rewards agencies or organizations with the resources and skills to submit successful competitive grant applications. The result is that agencies and organizations in poor or underserved communities may be less likely to successfully obtain competitive grant funding.[74]

Author Information

Kavya Sekar, Coordinator
Analyst in Health Policy

Taylor R. Wyatt
Analyst in Public Health Emergency Management

Hassan Z. Sheikh
Analyst in Public Health Emergency Management

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[73] See HHS, *Grants Policy Statement*, https://www.hhs.gov/sites/default/files/grants/grants/policies-regulations/hhsgps107.pdf. See also 45 C.F.R. Part 75.

[74] Institute of Medicine (now National Academy of Medicine), *For the Public's Health: Investing in a Healthier Future*, April 10, 2012, https://www.ncbi.nlm.nih.gov/books/NBK201015/, and Trust for America's Health, *The Impact of Chronic Underfunding on America's Public Health System*, 2021, p.11. https://www.tfah.org/wp-content/uploads/2021/05/2021_PHFunding_Fnl.pdf.