

Program	FY 2015	FY 2016 President's Budget	FY 2016 House	FY 2016 Senate
CDC Section 317 Immunization Program	\$610,847	\$560,508	\$585,508	\$610,847

(Dollars in Thousands)

For the first time in six years, both the House and Senate Appropriations Committees approved their Labor-HHS-ED Appropriations bills. The House Labor-HHS-ED panel, led by new Chair Tom Cole (R-OK-04), marked up its FY 2016 bill in Subcommittee on June 17 and full Committee on June 24. The Senate, also with a new Chair, Roy Blunt (R-MO), followed suit with a Subcommittee markup on June 23, and full Committee approval on June 25. Whereas in past years there have been wide disparities between the House and Senate “302(b)” allocations for Labor-HHS-ED, which has hampered the bill’s advance, this year they are nearly identical. The House’s allocation is \$153.1 billion – \$3.7 billion below the FY 2015 level – and the Senate’s is \$153.2 billion. Both the House and Senate funding levels are approximately \$14.5 billion below the President’s FY 2016 request.

In late March, the 2015 CDC Professional Budget Judgment for the Section 317 program was released. The CDC recommends \$1.071 billion for the program to fully implement its program operations and vaccine purchase functions. The program is currently funded at \$610 million. The prior year's estimate was \$963.4 million for the overall program need.

The 317 Coalition has mounted an aggressive advocacy campaign to support robust funding for the CDC immunization program. The Coalition worked with Senate champions, led by Sen. Jack Reed (D-RI), to circulate a dear colleague that calls for the Coalition's requested funding level of \$650 million in FY 2016. The letter garnered 18 Senate signatures of support!

The House bill includes a large \$1.1 billion increase over the current year in funding for the National Institutes of Health (NIH), appropriating \$31.2 billion, which is \$100 million above the President’s FY 2016 request. Meanwhile, the bill includes a deep \$2.8 billion net cut to the Department of Education, along with reductions to other operating divisions within HHS, including the elimination of the Agency for Healthcare Research and Quality (AHRQ). The House’s mark for the Centers for Disease Control and Prevention (CDC) is \$7 billion, \$140 million above the FY 2015 level, and equal to the President’s request. Notably, the bill allocates \$914 million of the Prevention and Public Health Fund (PPHF) to the CDC.

The Senate's Labor-HHS-ED bill has an even larger increase for NIH – a \$2 billion bump over the current year – while cutting many other functions in the bill, including CDC's budget by \$215 million (and \$355 million below the President's request) to a program level of \$6.65 billion.

In the House bill, the Section 317 immunization was cut by \$25 million to \$585 million – splitting the difference between the FY15 level of \$611 and the requested level of \$560 million, which would have been a \$50 million cut. The report also includes the following language on the 317 program, which includes the request for CDC’s professional judgement budget and specifically sets aside a \$25 million increase for immunization infrastructure:

Childhood Immunizations.—The Committee requests CDC to include an updated Section 317 Immunization Program report in the fiscal year 2017 budget request. The update should include the 2017 cost estimate, an estimate of State, local, and tribal operations funding, as well as a discussion of the evolving role of the 317 program as expanded coverage for vaccination becomes available from private and public sources over the next several years. The Committee includes a \$25,000,000 increase specifically to support the essential infrastructure funding for the state, local, and tribal public health departments to deliver the Vaccines for Children program and respond to disease outbreaks. A strong public health immunization infrastructure is critical for ensuring high vaccination coverage levels, the prevention of vaccine-preventable diseases, and for responding to outbreaks.

The report also includes language under the Office of the Secretary concerning adult immunization:

Adult Vaccinations.—The Committee is concerned that each year, hundreds of thousands of American adults are hospitalized and tens of thousands die from diseases that could have been prevented by vaccination. It is estimated that the cost of the health burden to society from vaccine preventable diseases is approximately \$10 billion annually. In particular, the Committee is concerned that many health care workers do not get regularly recommended vaccinations and that adult vaccination rates are particularly low for minority groups. Therefore the Committee encourages the Secretary of Health and Human Services to develop an adult vaccine strategy that includes assessments of barriers to adult immunizations, and strategies to overcome those barriers, including public outreach about the importance of adult immunization and strategies to increase influenza vaccination rates among health care workers.

The Senate bill level funds the 317 program at the FY15 level of \$611 million, fully restoring the proposed \$50 million cut in the President's request, and includes the following report language:

Adult Vaccinations.—National childhood vaccination rates are high, but adult vaccination rates continue to lag. Adult immunizations are important to prevent long-term illness, hospitalization, death, and unnecessary healthcare expenditures. Therefore, the Committee directs CDC to find new ways to increase adult immunization rates for recommended vaccines to achieve Healthy People 2020 targets.

Cost Estimates.—The Committee directs CDC to update its report on estimated funding needs for the Section 317 Immunization Program no later than February 1, 2016, to reflect fiscal year 2017 cost estimates. The updated report shall also include an estimate of optimum State and local operations funding, as well as a discussion of the evolving role of the 317 program as expanded coverage for vaccination becomes available from private and public sources over the next several years.

Influenza.—The Committee provides the same level as in fiscal year 2015 in budget authority and directs the Department to use \$15,000,000 in pandemic influenza supplemental balances to support CDC's global influenza activity. The Committee expects in the future that CDC and the Department will clearly identify in budget documents when and how supplemental appropriations are used. In particular, the Committee expects to be notified if any remaining supplemental balances are used by CDC in fiscal year 2016.

Section 317.—The Committee rejects the reduction to the Section 317 Immunization program proposed by the administration and provides the same level as in fiscal year 2015, \$610,847,000. The Committee believes a strong public health immunization infrastructure is critical for ensuring high vaccination

coverage levels, the prevention of vaccine-preventable diseases, and for responding to outbreaks. The Committee recommendation includes \$8,000,000 to build the capacity of public health departments to bill insurers for immunizations and encourages the continuation of billing demonstration projects in State and local health departments.

Universal Influenza Vaccine.—The Committee recognizes the significant threat of epidemic and pandemic influenza and encourages CDC to support organizations with the research and development capacity to combine computational modeling, vaccine development including human and animal testing for efficacy, and global threat surveillance capabilities to quantify the incidence of secondary infection from influenza.

While both the House and Senate Appropriations Committees have completed their Committee work on all twelve appropriations bills, the process has halted in both chambers as Congress turns attention to a continuing resolution (CR). After passing six bills on the House floor, Republicans and Democrats reached an impasse due to controversial policy riders. On the Senate side, full Committee Ranking Member Barbara Mikulski (D-MD) led Senate Democrats in blocking Committee-passed appropriations bills from being considered on the floor because of their overall funding levels. President Obama has also indicated that he would veto any appropriations bill that adheres to the lower sequester-level funding caps imposed by the Budget Control Act.

Due to this showdown, there are calls for a “Murray-Ryan 2.0” budget deal that would lift the defense spending caps. Democrats have indicated they would only support a deal to also ease the caps for non-defense discretionary programs. As the House is only in session for 12 legislative days in September, there will be substantial pressure and numerous hurdles to pass a funding bill to keep the government operating past the end of the fiscal year on September 30. While some conservative Republicans are threatening a government shutdown over federal funding to Planned Parenthood, Republican leadership in both chambers is expected to back a short-term CR that will last for multiple weeks to allow for continued negotiations.

The 317 Coalition will be weighing in with key policymakers in both chambers to advocate for the Senate’s funding level for the Section 317 Immunization Program in the final FY16 appropriations package. We will be communicating outreach instructions to Coalition members in the coming weeks in advance of conference negotiations.