



FACT SHEET

FY2008 President's Budget Request

President's FY2008 Budget Request and Healthcare IT

HIMSS Reports: The President's Budget Request for Fiscal Year 2008 has been presented to Congress calling for priority action on five areas, including initiatives to improve the affordability of healthcare, modernizing Medicare and Medicaid, and providing reauthorization for at-risk and vulnerable communities. The President's Budget Request includes over \$700 billion for Health and Human Services (HHS) programs, an increase of only \$95 million over FY2007.

Health Care IT Priorities for FY2008

Healthcare IT as a percentage of the overall federal IT commitment is expected to remain at approximately 10%. HHS-wide healthcare IT initiatives have a fiscal year 2008 budget request of \$165 million. The funds are broken down as follows:

- **\$118 million for the Office of the National Coordinator for Health Information Technology (ONC):**
 - Identical to the President's request from a year ago
 - \$57 million increase over the \$61 million received for FY2007.
- **\$45 million for the Agency for Healthcare Research and Quality (AHRQ):** Advance the use HIT to enhance patient safety (Clinical Decision Support initiatives, Quality improvement, Ambulatory Care initiatives)
- **\$2 million for the HHS Assistant Secretary for Planning and Evaluation:** Funding independent assessments of electronic health record adoption and economic factors impacting clinician participation in EHR adoption

The [annual HHS Budget in Brief](#) document highlights the ONC budget priorities as an effort to support national adoption of HIT through 1) the development of interoperable data standards and 2) the implementation of projects identified by the [American Health Information Community](#). The programmatic priorities for ONC include:

- Investing \$5 million to establish a fund within HHS for health data standards development. This appears to be additional funding for the Healthcare Information Technology Standards Panel (HITSP) effort. HIMSS will investigate whether this would directly fund HITSP or a complimentary effort.

- Funding \$22 million for development of a partnership for health care improvement to take over AHIC responsibilities. This supports comments made by Secretary Leavitt during the January 2006 AHIC meeting calling for a private-public entity before the current AHIC charter expires in October 2007.
- Funding for up to 12 communities as trial implementations of the Nationwide Health Information Network (NHIN). The initiative is presumably connected to the [December 2006 announcement](#) of the pending Phase II for the NHIN. The communities will be asked to focus on AHIC priorities in Electronic Health Records, consumer empowerment, chronic care management, and Biosurveillance. As mentioned at the NHIN Forum in late January 2007, a request for proposals will be released in the early spring. Awards are expected by early summer.
- Other funds will be used to continue ONC efforts in areas, such as privacy, security and confidentiality; developing Personal Health Record Architectures that will be integrated in the NHIN architecture, and continuing support for CCHIT and HITSP efforts; and supporting state-level efforts to support HIT policy initiatives.

AHRQ is highlighted as receiving \$94 million for quality improvement, patient safety, and outcomes research initiatives.

- As part of the \$45 million for HIT investments in patient safety, AHRQ will dedicate \$26 million for the Ambulatory Patient Safety Program. In addition, \$19 million will be designated to continue funding planning and implementation grants that AHRQ has funded since FY2005.
- The AHRQ Patient Safety budget will receive \$34 million, with a particular emphasis on common data elements and formatting for patient safety reporting to Patient Safety Organizations.
- AHRQ will fund \$4 million for the Value Driven Health Care project that continues the work established by the Ambulatory Quality Alliance pilot projects.
- AHRQ will continue support of the Effective Health Care Program with \$15 million to advance the coordination of Personalized Health Care initiatives, with a particular emphasis on getting clinicians, patients, and policymakers together to determine the best drugs and medical treatments work best for certain health conditions.

Other initiatives in the budget request related to healthcare are the following:

Emergency Preparedness

- Cybersecurity request maintains level funding at \$10 million in FY 2008. These funds will continue the protection of the Department's information technology infrastructure from cyber-terrorist attacks by providing continuous security monitoring for all HHS systems, assets, and services.

Food and Drug Administration

- Improving the review and safety of medical devices has become a more diverse, complex and integral to delivering health care. The FDA is proposing a Total Product Life Cycle approach to improving device safety and review. The request of \$240 million is an increase of \$10 million over FY 2007.

Centers for Disease Control and Prevention

- The Public Health Informatics budget request includes \$94 million, \$24 million above FY 2007 in order to support continued efforts to define the needs for public health information systems, standardization and interoperability.

Also of note, the HHS Office of Civil Rights (OCR) continues in its role of ensuring understanding of and compliance with HIPAA Privacy. OCR has received a lot of press lately on adjudication of HIPAA Privacy complaints. Since April 2003, OCR has received over 18,500 complaints, of which OCR had the authority to investigate in 6,000; obtaining corrective action in 4,000 and determining no violation in 2,000. Additionally, OCR remains an active participant in standards development activities to ensure privacy issues are considered in the process.