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COMMUNITY PARTNERSHIPS • HEALTHY AGING • GLOBAL PARTNERSHIPS • OUTBREAK INVESTIGATIONS •

Budget Request Summary Fiscal Year 2004

February 2003




CDC
CENTERS FOR DISEASE™ CONTROL AND PREVENTION

SAFER • HEALTHIER • PEOPLE™

Vision and Mission

CDC Vision for the 21st Century

"Healthy People in a Healthy World—Through Prevention"

CDC, as the sentinel for the health of people in the United States and throughout the world, strives to protect people's health and safety, provide reliable health information, and improve health through strong partnerships.

Mission

To promote health and quality of life by preventing and controlling disease, injury, and disability.

CDC seeks to accomplish its mission by working with partners throughout the nation and the world to

- monitor health,
- detect and investigate health problems,
- conduct research to enhance prevention,
- develop and advocate sound public health policies,
- implement prevention strategies,
- promote healthy behaviors,
- foster safe and healthful environments,
- provide leadership and training.

Those functions are the backbone of CDC's mission. Each of CDC's component organizations undertakes these activities in conducting its specific programs. The steps needed to accomplish this mission are also based on scientific excellence, requiring well-trained public health practitioners and leaders dedicated to high standards of quality and ethical practice.

Pledge

CDC pledges to the American people:

To be a diligent steward of the funds entrusted to it.

To provide an environment for intellectual and personal growth and integrity.

To base all public health decisions on the highest quality scientific data, openly and objectively derived.

To place the benefits to society above the benefits to the institution.

To treat all persons with dignity, honesty, and respect.

Centers for Disease Control and Prevention
Budget Request Summary
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Centers for Disease Control and Prevention

Financial Management Office

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Message from the Director

The annual budget request for CDC and ATSDR affords us an opportunity to examine and refine our priorities for protecting people's health and safety at home and abroad, provide credible and practical information, and document our planned resources and expertise to help our many partners keep our nation's communities healthy.

The complete annual budget request that goes to Congress is hundreds of pages long and covers all of the myriad details of how we will effectively use the $6.5 billion we are requesting for fiscal year 2004. This summary covers the key components of CDC's fiscal year 2004 budget request to the Congress and also highlights important management and program priorities for our partners and constituents. Because approximately 75 percent of CDC's annual budget is used to support extramural activities, programs, and research—all of which enable CDC to develop, conduct, and evaluate a wide range of public health programs—it is vital that our partners and constituents have access to this budget information and understand our management agenda.

We strive to improve our agency's effectiveness and accountability to keep pace with our increasingly varied responsibilities to the nation, including public health terrorism preparedness and response as we tackle other causes of death, illness, and disability such as HIV/AIDS, infectious diseases, injuries, heart disease, cancer, diabetes, birth defects, environmental hazards, and obesity.

These responsibilities require an aggressive approach to leadership and management that allows the agency to balance emerging issues with its vision for safer, healthier people in every community. To meet the needs of our partners and constituents, I have asked our senior management staff to focus on science, service, systems, and strategy. The overarching goals of this collective focus are to ensure that we do the following:

- Practice science that is evidence-based and grounded in sound peer-reviewed research.
- Provide efficient service to meet the needs of our partners and customers.
- Fine-tune and manage our systems so that we use our personnel, technology, infrastructure, and information efficiently to achieve results.

- Ensure that our strategies truly prepare us for future challenges.

We must ensure that CDC and ATSDR are fully prepared to meet those threats and that every community is served by an effective, strong public health system.

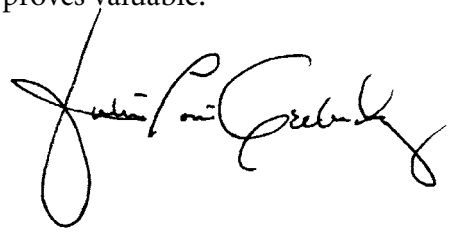
The most visible example of this process is the rebuilding and updating of our physical infrastructure. This sustained investment will provide the nation with state-of-the art facilities to meet daily public health challenges and to respond to emergencies.

Less noticeable but equally vital are our efforts to monitor and maintain the public's health, bolster the links among our public health partners, and ensure that public health information systems are secure and can operate in emergency circumstances. Hence, continuing to improve the Public Health Information Network is another vital priority.

We are also eager to contribute our skills and knowledge to support fully the Department of Health and Human Services. Our involvement with the Secretary's prevention initiative, *Steps to a Healthier U.S.*, designed to harness the forces of the various HHS agencies and our partners to move us from what has become a disease care system into a true health care system, will become an increasingly important priority.

CDC has worked hard to hone its impeccable reputation for scientific integrity and has charted an aggressive strategy to ensure that our financial stewardship and program management will be the best in the public service arena. CDC/ATSDR has consistently recouped the nation's investment, saving lives and money through the public health activities and initiatives conducted in concert with our partners.

We welcome your comments and suggestions and hope that this budget information proves valuable.



Julie Louise Gerberding, MD, MPH
Director, Centers for Disease Control and Prevention
and Administrator, Agency for Toxic Substances and Disease Registry

Overview of CDC/ATSDR

The Centers for Disease Control and Prevention (CDC) and the Agency for Toxic Substances and Disease Registry (ATSDR) are two of the 13 major operating components of the Department of Health and Human Services (HHS), which is the principal agency in the United States government for protecting the health and safety of all Americans and for providing essential human services, especially for those people who are least able to help themselves.

Since it was founded in 1946 to help control malaria, CDC has remained at the forefront of public health efforts to prevent and control infectious and chronic diseases, injuries, workplace hazards, disabilities, and environmental health threats. Today, CDC is globally recognized for conducting research and investigations and for its action-oriented approach. CDC applies research and findings to improve people's daily lives and responds to health emergencies—something that distinguishes CDC from its peer agencies. Today CDC is recognized as the federal agency for

- protecting people's health and safety,
- providing reliable health information for the public,
- improving health through strong partnerships.

Organization

CDC's major organizational components develop and manage programs and respond to health threats that fall within their respective areas of expertise. They also, however, pool their resources and knowledge on crosscutting issues and specific health threats. In 2002, the agency comprised these 11 major program components:

- National Center on Birth Defects and Developmental Disabilities (NCBDDD) works to prevent birth defects and secondary disabilities.
- National Center for Chronic Disease Prevention and Health Promotion (NCCDPHP) prevents premature death and disability from chronic diseases and promotes healthy personal behaviors.
- National Center for Environmental Health (NCEH) provides national leadership in preventing and controlling disease, disability, and death that result from the interactions between people and their environment.
- National Center for Health Statistics (NCHS) provides statistical information that will guide actions and policies to improve the health of the American people.

- National Center for HIV, STD, and TB Prevention (NCHSTP) provides national leadership in preventing and controlling human immunodeficiency virus infection, sexually transmitted diseases, and tuberculosis.
- National Center for Infectious Diseases (NCID) prevents illness, disability, and death caused by infectious diseases in the United States and around the world.
- National Center for Injury Prevention and Control (NCIPC) prevents death and disability from nonoccupational injuries, including those that are unintentional and those that result from violence.
- National Institute for Occupational Safety and Health (NIOSH) ensures safety and health for all people in the workplace through research and prevention.
- National Immunization Program (NIP) prevents disease, disability, and death from vaccine-preventable diseases among children and adults.
- Epidemiology Program Office (EPO) strengthens the public health system by coordinating public health surveillance; providing support in scientific communications, statistics, and epidemiology; and training in surveillance, epidemiology, and prevention effectiveness.
- Public Health Practice Program Office (PHPPO) strengthens community practice of public health by creating an effective workforce, building information networks, conducting practice research, and ensuring laboratory quality.

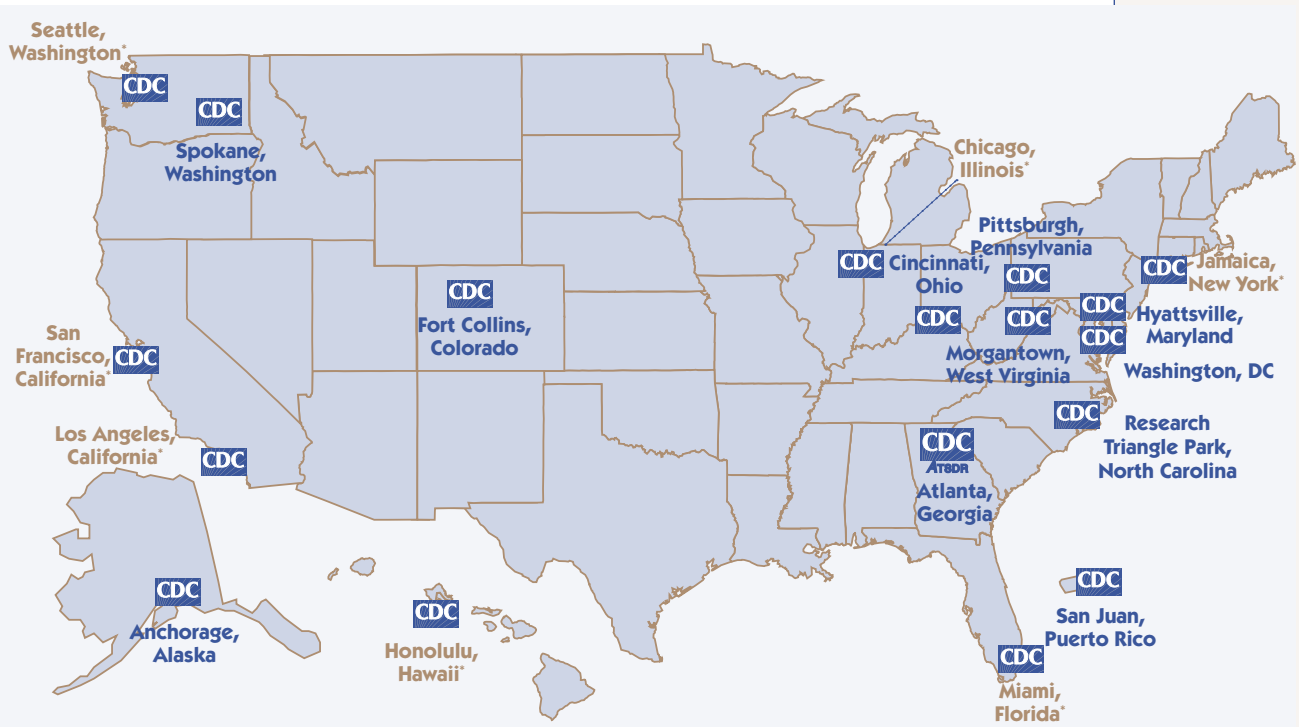
The Office of the Director manages and directs CDC's programs by delivering overall leadership; providing advice on fiscal, policy, and legislative matters; and developing and evaluating goals and objectives related to preventing and controlling disease and injury.

ATSDR was established in 1980 by the Comprehensive Environmental Response, Compensation, and Liability Act—also known as Superfund. ATSDR works to prevent exposures to hazardous wastes and to environmental spills of hazardous substances. Headquartered in Atlanta, the agency also has 10 regional offices and an office in Washington, D.C., and a multidisciplinary staff of about 400 persons, including epidemiologists, physicians, toxicologists, engineers, public health educators, health communication specialists, and support staff.

Although CDC and ATSDR have independent visions and mission statements, both strive to protect and improve the health of the American public. The Director of CDC also serves as the Administrator of ATSDR.

Workforce

The workforce at CDC/ATSDR totals more than 8,600 full-time employees (or full-time equivalents) in more than 170 occupations that support our public health initiatives, including physicians, statisticians, epidemiologists, laboratory experts, behavioral scientists, and health communicators. Although many people associate CDC with its national headquarters in Atlanta, more than 2,000 CDC employees work at other locations throughout the United States. Additional CDC staff are deployed to more than 37 other countries, assigned to 47 state health departments, and dispersed to numerous local health agencies on both long- and short-term assignments.



*These CDC facilities are quarantine stations located at major international airports. CDC staff at these locations make and enforce regulations necessary to prevent the introduction, transmission, or spread of communicable diseases from foreign countries into the United States. There is also a quarantine station located at Hartsfield International Airport in Atlanta, the city where CDC is headquartered.

This talented, well-trained workforce—the agency's most crucial and complex resource—represents a cross section of America's culturally and ethnically diverse society; hence CDC and ATSDR are well-positioned to serve the American public, to meet the health goals for our nation as set forth by HHS in *Healthy People 2000* and *Healthy People 2010*, and to respond to disease outbreaks, health crises, and disasters worldwide.

Program Accomplishments

This section highlights selected CDC accomplishments that occurred during the past fiscal year from a variety of programs. These selections illustrate some of CDC contributions toward fulfilling its mission "to promote health and quality of life by preventing and controlling, disease, injury, and disability."

Promoting Health and Quality of Life through Prevention

Health Improves for Most Racial/Ethnic Groups, but Disparities Remain

CDC published *Trends in Racial and Ethnic-Specific Rates for the Health Status Indicators: United States, 1990–1998*, showing progress toward the goal of reducing disparities. Notable progress was made in reducing the gap in syphilis case rates and stroke death rates. All racial and ethnic groups experienced improvements in rates for 10 indicators: prenatal care; infant mortality; teen births; mortality from heart disease; homicide; motor vehicle crashes; work-related injuries; the tuberculosis case rate; the syphilis case rate; and poor air quality. However, for about half of the indicators, disparities improved only slightly, and disparities actually widened substantially for work-related injury deaths, motor vehicle crash deaths, and suicide.

Pediatric AIDS Cases Decline 80% Since 1992

CDC researchers report an estimated 80% decline in the number of children with pediatric AIDS in the United States during the last decade. This decline represents a tremendous success in reducing the toll of HIV infection in the United States.

CDC's "VERB: It's What You Do" Aims to Spark "Activity Movement" among Kids

CDC launched a national $190 million multicultural media campaign designed to promote a healthier lifestyle for kids. The "VERB: It's What You Do" Youth Media Campaign will use television, radio spots, and the Internet to reach youth all across the country. This is an innovative partnership between CDC, Disney, Primedia, Viacom, DC Comics, AOL Time Warner, and several celebrity endorsers.

Study Confirms that Moderate Physical Exercise and Weight Control Prevent Diabetes

Results from the largest-ever clinical study on diabetes prevention confirmed that diabetes can be prevented in high-risk adults. The NIH-led and CDC-supported Diabetes Prevention Program demonstrated that lifestyle intervention, including

weight control and moderate physical activity, reduced the risk of diabetes by nearly 60% among overweight adults with impaired glucose tolerance—a study relevant to 16 million Americans. CDC is seeking to put this knowledge directly into practice in FY 2004.

CDC Celebrates a Decade of Progress in Injury Prevention and Control

Injuries are the leading cause of death during the first four decades of life. CDC established the National Center on Injury Prevention and Control in 1992 to apply its scientific expertise to the public health problem of intentional and unintentional injury. The Injury Center celebrated a decade of progress in injury prevention with four regional meetings across the country in June 2002.

Since 1998, a CDC-funded smoke alarm installation and fire safety education program in high-risk communities in 14 states has potentially saved an estimated 350 lives. Program staff identified high-risk homes and targeted households with children aged 5 years and younger and adults aged 65 years and older. From October 1998 through October 2001, program staff canvassed almost 160,000 homes and installed more than 116,000 smoke alarms. Fire safety messages have reached nearly seven and a half million people as a result of these programs.

Teen Smoking Rates Decline Significantly

A CDC report revealed that although one in four U.S. high school students still smokes cigarettes, the rates for 2001 were the lowest since 1997: 28.5% of high school students currently smoked compared with 36.4% in 1997. Factors that have contributed to the decline include increases in school-based efforts to prevent tobacco use, increases in youth exposure to mass media smoking prevention campaigns, and the 70% increase in the retail price of cigarettes during this time.

CDC Research Shows that Smoking Costs the United States $150 Billion Annually

Each pack of cigarettes sold in the United States costs the nation an estimated $7.18 in medical care costs and lost productivity. CDC found that smoking continues to be the leading cause of preventable death in the United States, resulting in an estimated 440,000 premature deaths annually from 1995–1999. On average, adult men smokers lost 13.2 years of life and adult women smokers lost 14.5 years of life because they smoked. Economic costs included excess medical expenditures and loss of productivity from premature deaths.

Global AIDS Program Now in 25 Countries

Since its inception in 2000, CDC's Global AIDS Program (GAP), implemented in collaboration with USAID, has established a field presence in 25 countries in Africa, Asia, and Latin America to help national HIV/AIDS control programs. CDC works

with host countries and other key partners to assess the needs of each country and design a customized program of assistance that fits within the host nation's strategic plan. GAP programs work in partnership to help reduce HIV transmission through primary prevention of sexual, mother-to-child, and blood-borne transmission; improve community and home-based care and treatment of HIV/AIDS, STDs, and opportunistic infections; strengthen the capacity of countries to collect and use surveillance data; and manage national HIV/AIDS programs.

CDC Provides Leadership in STD Prevention by Issuing National Guidelines

In May 2002, CDC issued national guidelines designed to help health care providers protect their patients from the health consequences that result from sexually transmitted diseases (STDs). The guidelines integrate recommendations on the most effective treatment regimens, screening procedures, and prevention strategies for STDs, which infect an estimated 15 million people each year in the United States. The guidelines include rescreening for chlamydia to protect young women from infertility, alternative gonorrhea treatments in the wake of increasing drug resistance in California, expanded risk assessment and screening among gay and bisexual men, and new blood tests to help diagnose genital herpes.

CDC Promotes Action to Prevent Antimicrobial Resistance in Health Care Settings

CDC launched a campaign promoting clear action steps for clinicians to prevent antimicrobial resistance. The campaign presents best practices in simple terms that easily can be recalled and followed. The four key strategies for preventing antimicrobial resistance in health care settings are preventing infection, diagnosing and treating infection effectively, using antimicrobials wisely, and preventing transmission of drug-resistant pathogens.

CDC Strengthens Monitoring of Birth Defects

During FY 2002, 20 public health agencies received funds to improve birth defects surveillance. The funding will enable public health programs to develop, implement, or expand community-based birth defects tracking systems, programs that work to prevent birth defects, and improved access to health care for children with birth defects. Understanding the prevalence and trends in birth defects will lead to better understanding of changes in trends and will enable CDC to monitor the effectiveness of prevention activities.

Rubella Nears Elimination in the United States

In one of the greatest successes in vaccine-preventable disease reduction, only 2 cases of rubella were reported to CDC in 2001 compared with 1,401 cases a decade ago. Rubella can cause miscarriage, stillbirth, and fetal abnormalities.

Study Links Leukemia and Environmental Causes

During 2001, ATSDR and the New Jersey Department of Health and Senior Services completed a study that helped provide new data about the increased incidence of childhood cancers in Dover Township, New Jersey. The study found a statistically significant association between prenatal exposure to water contaminated with volatile organic compounds (including trichloroethylene and tetrachloroethylene) and an increased risk for leukemia among girls. Girls aged less than 5 years who had medium or high exposures to industrial air emissions also had increased risk for leukemia. ATSDR developed computer models of the water distribution system, information that was needed to derive exposure assessments used in the study. This technique has spurred international public health interest.

Protecting Health through Prepared Public Health Systems

CDC Responds to West Nile Virus Outbreak

Since the first U.S. case in 1999, CDC has responded to West Nile Virus. This work provides a strong foundation for responding to the recent outbreak through trained staff in state laboratories, laboratory tests, electronic surveillance, prevention and control guidelines, and educational materials. CDC also maintains a team of experts in mosquito-borne illnesses ready to assist communities.

Learning the Lessons of Terrorism—Preparedness and Recovery

Following September 11, 2001, we have learned that the U.S. public health system is a critical element in the new war against terrorism, whether the attacks cause mass trauma, disease, or other threats. Before September 11th, CDC had started preparing for possible acts of terrorism by developing and administering cooperative agreements, conducting simulations for the Strategic National Stockpile (formerly called the National Pharmaceutical Stockpile), and training health professionals. Within minutes of the attacks on the World Trade Center, the entire infrastructure of CDC shifted to respond to the immediate needs of the nation. CDC rapidly set up a 24/7 emergency operations center and began to deploy supplies and more than 600 staff, issue guidance and health alerts, and provide technical assistance. Following the reports of anthrax cases in October, CDC redirected more than 2,000 staff to focus on this crisis and rapidly trained more than 1.5 million health professionals through its national online Public Health Training Network.

CDC has refocused its priorities to be sure the nation is prepared for all types of biological, chemical, radiological, and conventional terrorist threats. CDC will continue to implement the successful strategies begun in 2001 and 2002, while remaining flexible in its capability to respond to known and emerging threats.

Rapidly Funded State and Local Health Departments at Record Levels

Within one month of the President's signature on supplemental appropriations, CDC dispersed more than $900 million to states and selected cities. This unprecedented investment in public health preparedness allowed immediate access to a portion of the funds—states were able to fund urgent needs and recoup costs incurred responding to the terrorist attacks of 2001. Although encouraging flexibility for each state, CDC demanded accountability for these funds—requiring states to submit work plans before 80% of the funds were released, requiring regular reporting, and pledging to work closely with state and local jurisdictions to ensure that our nation is prepared for potential future terrorist events.

Smallpox Vaccine Supply Sufficient for Every American

CDC has moved swiftly to assure that smallpox vaccine is available for every American. With funds appropriated at the beginning of 2002, new and improved vaccine is beginning to become available now. In addition, the United States will continue to have access to existing stores of vaccine for use in emergencies to vaccinate large populations.

Strategic National Stockpile Expanded

After successfully deploying the Strategic National Stockpile (SNS) for the first time in fall 2001, CDC has expanded SNS to more fully address public health emergencies. CDC increased from 8 to 12 the number of "push packages" strategically located around the country to provide rapid response to emergencies with life-saving drugs and equipment.

CDC/ATSDR Responds to Florida Anthrax Attack

Through ATSDR and the National Institute of Occupational Safety and Health, CDC partnered with the FBI Hazardous Materials Response Unit for the renewed criminal investigation of anthrax contamination at the AMI Building in Boca Raton, Florida. This was the largest hazardous material sampling exercise ever undertaken by the FBI (550 person-entries, 4,000 samples).

CDC Establishes Emergency Communication System

In light of events on September 11th and the subsequent anthrax attacks, CDC has established an Emergency Communication System to assure that the agency can comprehensively, efficiently, and rapidly prepare for and respond to communication

needs associated with terrorism. This system, which provided CDC communications during the West Nile virus outbreak and during the initial rollout of the President's smallpox vaccination program, has the capability for developing critical documents, arranging briefings for key stakeholders and the media, addressing the national press corps questions, maintaining the CDC Web site, maintaining the public health response hotline, developing training for clinicians, and developing public service announcements.

Guidelines for Worker Safety in Terrorist Events Issued

CDC issued new guidelines for protecting emergency responders and for safeguarding building ventilation systems from attack, addressing two of the most pressing terrorism-related worker safety issues. These guidelines give employers and emergency systems practical steps toward increasing safety.

States Prepared to Help Handle Chemical Terrorism

In the event of a major chemical terrorism attack, CDC's chemical laboratory capacity could possibly be overwhelmed. To prepare for this possibility, five state environmental health laboratories were funded in FY 2002 to provide additional surge capacity to the chemical laboratories at CDC. These state laboratories will be able to measure chemical warfare agents or their metabolites in human specimens and will help CDC to quickly and accurately determine the chemical agent used in a terrorist attack.

Better Training for Laboratory Personnel Workforce

Through its National Laboratory Training Network, CDC trained approximately 8,800 United States clinical laboratorians (Level A Laboratory Personnel) in bioterrorism preparedness in FY 2002. This training will help public health laboratorians around the nation to better recognize a potential bioterrorism incident. In addition, CDC provided reference materials to approximately 4,600 clinical (Level A) laboratories following September 11, 2001, and developed a *Bioterrorism Response Guide for Clinical Laboratories* for these.

CDC's Select Agent Program Helping to Ensure the Safety and Security of Laboratory Facilities

The CDC Select Agent Program is responsible for registering and inspecting laboratories that transfer microorganisms and toxins that pose a significant health risk to humans. The Select Agent Program has inspected more than 100 laboratories across the United States and will continue to inspect new labs with a goal of 200 total laboratories inspected by the end of FY 2003.

Advancing Health through 21st Century Science and Technology

CDC Inaugurates Two State-of-the Art Laboratories

CDC opened two new state-of-the-art research facilities at its Chamblee campus. These facilities are an important improvement to permit the agency to meet the challenges of actively protecting the nation's health and safety in the 21st century. The Environmental Health Laboratory houses 100 employees who develop and apply advanced methods for measuring toxicants (chemicals known or suspected to be toxic) in blood, urine, saliva, and body fluids or tissues. The Parasitic Diseases Laboratory houses approximately 40 employees who provide state-of-the-art diagnostic services to support investigation of parasitic disease outbreaks and research on these diseases.

CDC Improves Information Technology, Web Site Visits Increase 29%

With more than 5 million different visitors per month—a figure that spiked to 9 million in October 2001 following the terrorist attacks—CDC's Web site is one of the most frequently visited of all government Web sites. CDC continued it rigorous planning for information technology capital in concert with Office of Management and Budget (OMB) guidance; established open standards for intergovernmental data exchange and systems associated with public health and terrorism monitoring; and continued making progress on the goals of the Government Paperwork Elimination Act. Continued advancement of the CDC information security program resulted in a critical infrastructure system reliability and availability of 99.5% during FY 2002.

Improving Management

CDC Successfully Implements the President's Management Agenda

The President's Management Agenda and the related HHS Secretary's Management Objectives have guided improvements in CDC management. CDC developed a strategic plan for human capital and restructuring the workforce to delayer and realign resources to front-line public health work. CDC is targeting mission-critical occupations for specialized recruitment, training, and retention programs.

Fiscal Year 2004 Budget Request

During fiscal year 2004, CDC/ATSDR plans to address each of the Secretary's key priorities: preventing disease, illness, and injury; ensuring our homeland is prepared; realizing the possibilities of 21st century health care; and improving management. CDC will address prevention and preparedness, while capitalizing on 21st century science and technology to achieve public health goals. We will continue our focus on closing the gap in health status among racial and ethnic minorities.

The CDC/ATSDR budget request for FY 2004 totals $6.5 billion. This amount represents an increase of more than $61 million over the FY 2003 President's Budget. Included in this request is $4.2 billion in budget authority to be provided to CDC from the Labor-Health and Human Services-Education regular appropriations bill; $74 million in budget authority to be provided to ATSDR from the Veterans Affairs-Housing and Urban Development regular appropriations bill; $1.1 billion from the Public Health and Social Services Emergency Fund for CDC's Terrorism Preparedness and Response Program; $1.1 billion from the Centers for Medicaid and Medicare Services for the Vaccines for Children Program; and $52 million from an interagency transfer for Public Health Service evaluation activities. This request does not include funding for Smallpox, and the Strategic National Stockpile, which have been moved to the Department of Homeland Security. (For budget details, see the financial tables, pages 23–30.)

The resources proposed for FY 2004 will further strengthen the nation's public health infrastructure and support these key program priorities.

Promoting Health and Quality of Life Through Prevention

As the lead federal agency for protecting the health and safety of Americans, CDC strives to prevent disease, injury, and disability through a wide range of public health activities. The new initiatives proposed in FY 2004 address high priority prevention areas identified by the President, the Secretary of HHS, and the Director of CDC. CDC will continue working with other HHS agencies and other governmental and private-sector partners to improve the health of all Americans.

The Secretary's Prevention Initiative: Steps to a Healthier U.S. (+$100 million)

The FY 2004 Budget includes a new investment increase of $100 million to pursue *Steps to a Healthier U.S.* At the heart of this program lie both personal responsibility for the choices Americans make and social responsibility to ensure that policy-makers support programs that foster healthy behaviors and prevention.

This program is a bold shift in our approach to the health of our citizens, moving us from a disease care system to a health care system. We can no longer sustain the skyrocketing health care costs created by overreliance on treatment or sustain the suffering that preventable diseases cause.

The *Steps* initiative supports President Bush's *Healthier U.S.* program, which uses all of the available resources of the federal government to alert Americans to the vital health benefits of simple and modest improvements in physical activity, nutrition, and behavioral choices such as eliminating tobacco and illegal drug use.

Obesity, diabetes, and asthma have increased substantially over the past decade and continue to take a toll on the health of the nation. *Steps to a Healthier U.S.* will reduce the burden of these and other conditions by promoting healthy choices in nutrition, physical activity, youth risk taking, and preventive health care.

This initiative will unite the forces of five HHS agencies and partners to promote

- State leadership and programs to motivate and support responsible health choices and to reduce the burden of disease.
- Community initiatives to promote and enable healthy choices and to focus on youth and the elderly.
- Health care and insurance systems that put prevention first—reducing risk factors and reducing complications of chronic disease.
- State and federal policies that invest in the promise of prevention for all Americans.

In addition, this program will foster common reporting requirements on performance measures and institute a coordinated evaluation process to measure performance. CDC will lead the effort, with full participation from the Health Resources and Services Administration, Administration for Children and Families, Administration on Aging, and Agency for Healthcare Research and Quality. The centerpiece of this initiative will be a single *Steps to a Healthier U.S.* cooperative agreement program that will make awards to states and communities to implement effective public health strategies for reducing the burden of diabetes, obesity, and asthma in their populations. States and communities will also address related risk factors, including a specific emphasis on promoting healthy choices by youth.

The International Mother and Child HIV Prevention Initiative: (+$50 million)

The HIV/AIDS pandemic is now one of the major threats to child health and survival. Through 2001, 17.6 million women and 2.7 million children younger than 15 years of age were living with HIV/AIDS around the globe. More than 90% of these HIV-positive children (2.4 million) were infected during their mother's pregnancy, during birth, or through breastfeeding. In the year 2001 alone, approximately two million pregnant HIV-infected women gave birth worldwide, and 720,000 of those children contracted the virus from their mothers—2,000 infected infants every day.

Without treatment, from 25%–35% of HIV-positive mothers pass the virus on to their children in developing countries, whereas rates in the developed world (where HIV-infected women generally do not breastfeed) range from 15%–25%. Among women who breastfeed for two years, about 20% of the transmission occurs during pregnancy, about 40% during delivery, and about 40% during breastfeeding. Replacing breastfeeding with formula feeding and using new therapeutic interventions can reduce by more than 90% the risk that an HIV-positive mother will transmit HIV to her baby. Further care and treatment for HIV-infected mothers to keep them alive and healthy for a longer time could improve the lives of many families and prevent the orphaning of their children.

The initiative is projected in two areas: increasing the availability of preventive care, including drug treatments; and building health care delivery systems to reach as many women as possible with the care they need.

With additional funding that USAID is expected to receive for this initiative, this effort is expected to reach up to one million women annually and within 5 years or less to reduce mother-to-child transmission by 40% among women treated as part of this initiative in 14 countries in Africa and the Caribbean.

Breast and Cervical Cancer Screening: (+$10 million)

CDC's National Breast and Cervical Cancer Early Detection Program (NBCCEDP) targets low-income women with little or no health insurance and has helped reduce disparities in screening for women who belong to racial and ethnic minorities. This program has provided more than 3.5 millions screening tests to almost 1.5 million women, and has diagnosed nearly 12,000 breast cancers, 48,170 precancerous cervical lesions, and more than 800 cases of invasive cervical cancer. This increase in funding will enable CDC to reach even more women in need of these screening services and continue to target reductions in health disparities among racial and ethnic minorities.

Other Chronic Disease Prevention Efforts: (+$10 million)

CDC works to prevent the occurrence and progression of chronic diseases by reducing or eliminating behavioral risk factors, by increasing the prevalence of health promotion practices, and by detecting chronic disease early to avoid complications. With this increase in support for chronic disease programs, CDC will expand efforts to monitor behavioral risk factor surveillance and youth fitness, expand efforts to prevent cardiovascular disease and cancer, and expand efforts to promote physical activity among youth through school health programs.

Youth Media Campaign: (+$5 million)

Complementing the *Steps to a Healthier U.S.* program, the Youth Media Campaign will capitalize on the first three years of funding, which have built brand recognition and awareness nationwide, and will concentrate on a single metropolitan area or state. Through paid advertising, community events, and activities in schools, the campaign will continue to promote the benefits of positive activity to the target audience of 9- to 13-year-olds. Also, significant partners will continue their efforts at the community level to increase the reach of the campaign across the nation.

Protecting Health through Prepared Public Health Systems

CDC proposes strengthening public health's ability to respond to health threats by continuing to improve CDC buildings and facilities and to respond to terrorism—whether biological, chemical, radiological, or conventional. These activities both build on and strengthen terrorism infrastructure.

Buildings and Facilities: (Total Funding Level: $114 million)

CDC continues to put the highest priority on rebuilding our physical infrastructure. Using innovative procurement and design methods, we have been able to greatly reduce the timeline for construction. We continue to make progress on our master plan, and sustained investment will provide the nation with state-of-the art public health facilities—continually serving and ready to respond to emergencies.

Advancing Health through 21st Century Science and Technology

CDC is committed to advancing public health through science and technology. In FY 2004, CDC priorities in this area include building the Public Health Information Network and supporting improved health statistics.

Public Health Information Network: (+$10 million)

The Public Health Information Network will be an electronic nervous system that will help monitor and maintain the public's health by detecting problems, analyzing data, creating information, communicating alerts, and directing appropriate responses.

Building on CDC's existing networks (e.g., National Electronic Disease Surveillance System, Epi-X, Health Alert Network), the Public Health Information Network will establish consistent exchange of surveillance, communications, and response data between public health partners. It will ensure that public health information systems are secure and can operate in emergency circumstances. Public health and primary care providers will have reliable communications and easy access to appropriate and timely public health information.

Core Health Statistics Capacity: (+$5 million)

CDC urgently needs to maintain and rebuild the core capacities of the National Center for Health Statistics, the nation's principal health statistics agency and centerpiece of its capacity to collect policy-relevant information on the nation's health.

CDC has struggled to maintain the viability of its major surveys—surveys that tell us how healthy we are as a nation, what our nutrition and physical activity levels are, what our health care system looks like, how we come into the world, and how we leave it. To accurately capture an increasingly mobile population, a more complex health care system, and a more challenging agenda of health and social issues, investments in core data systems are essential to meet important data needs for programs across the federal government.

Strengthening the Public Health Infrastructure to Protect Americans from Terrorism

In FY 2004, CDC will continue to build the capacity of the public health system to prepare for and respond to public health threats, especially bioterrorism. The FY 2004 budget requests $1.1 billion for CDC's terrorism-related activities.

Generally, CDC will use funds in FY 2004 to

- Continue to strengthen the public health infrastructure with respect to preparedness for and response to public health emergencies in general, and biological and chemical terrorism in particular.
- Promote regional preparedness planning and dissemination of best practices.
- Expand bioterrorism preparedness for all biological threat agents.
- Assess effects of these investments on public health preparedness and capacities.

Upgrading State and Local Capacity (Total Funding Level: $940 million)

CDC has heavily invested in state and local public health departments' terrorism preparedness and response capacities. These investments have encompassed preparedness and readiness assessment, surveillance and epidemiology, laboratory capacity, communications, health information dissemination, and education and training. With $2 billion devoted to state and local preparedness during the last two fiscal years, the foundation for terrorism response has been increasingly strengthened.

Continued funding will assist states and local governments in meeting the milestones identified in their terrorism preparedness work plans, exercising such plans, translating and disseminating best practices, and developing local capacity to address public health emergencies in general, and biological and chemical terrorism in particular.

Upgrading CDC Capacity (Total Funding Level: $158 million)

CDC capacity upgrades will focus on similar themes. CDC will provide expanded technical assistance and training to state and local jurisdictions as they move to this phase of capacity building and work with states to develop regional preparedness. In addition, CDC will build its own capacity in these priority areas and coordinate closely with federal partners to improve overall national preparedness for all hazards. CDC will also pursue a research agenda to further national preparedness.

Anthrax (Total Funding Level: $18 million)

The proposed budget supports ongoing evaluation and research in the route of administration and number of doses of the currently licensed anthrax vaccine. These funds provide for monitoring adverse events.

Strategic National Stockpile (Total Funding Level: $300 million—nonadd)

Priorities for FY 2004 are to maintain the readiness of the Strategic National Stockpile (SNS) to respond to all terrorism threats including pharmaceuticals needed to treat diseases caused by critical biologic agents (smallpox, anthrax, tularemia, plague, and botulism) and chemical agents. The proposed budget will cover the recurring costs (product storage, rotation, and replacement) of maintaining the large volume of products in the stockpile. The SNS budget figure in FY 2003 and FY 2004 is reflected as a nonadd because this activity and all related assets will be transferred to the Department of Homeland Security during FY 2003. The Strategic National Stockpile, formerly called the National Pharmaceutical Stockpile, has been renamed to emphasize its strategic national significance rather than a cache of pharmaceuticals.

Smallpox Vaccine (Total Funding Level: $100 million—nonadd)

The major purchase of smallpox vaccine and the medication used to treat individuals experiencing adverse reactions to the vaccine was made during FY 2002. Using the current contracts, the FY 2004 budget request will cover storage, packaging, and replacement costs. The FY 2004 budget also supports research in improved diagnostic tests, treatments for smallpox infection, and disease progression. The budget figure for smallpox vaccine in FY 2003 and FY 2004 is reflected as a nonadd because this activity and all related assets will be transferred to the Department of Homeland Security in FY 2003.

Improving Management

CDC's FY 2004 Budget supports the President's Management Agenda and includes cost savings from consolidating administrative functions, organizational delayering to speed decision making processes, competitive sourcing, implementation of effective workforce planning and human capital management strategies, and adoption of other economies and efficiencies in administrative operations. CDC is also focusing on workforce planning, budget and performance integration, and E-Government. As a result of these efforts, CDC will realize a savings of $34 million related to improved information technology practices and almost $21 million related to management savings. (See the full discussion of CDC's efforts to comply with President's Management Agenda on pages 31–37.)

Financial Tables

Centers for Disease Control and Prevention

FY 2004 Budget Request—Funding by Budget Activity

(Dollars in Thousands)

Program	FY 2002 Enacted	FY 2003 President's Budget	FY 2004 Estimate	FY04 Estimate +/- FY03 PB
Birth Defects and Disabilities	$89,946	$89,455	$87,462	($1,993)
Chronic Disease Prevention and Health Promotion	$746,731	$710,492	$834,047	$123,555
Environmental Health	$153,397	$152,417	$150,227	($2,190)
Epidemic Services and Response	$80,156	$78,133	$76,158	($1,975)
Health Statistics:				
Budget Authority	$103,464	$79,179	$72,639	($6,540)
PHS Evaluation Transfers (nonadd)	$23,286	$46,982	$51,982	$5,000
Subtotal	*$126,750*	*$126,161*	*$124,621*	*($1,540)*
HIV/AIDS, STD and TB Prevention	$1,156,826	$1,235,000	$1,281,176	$46,176
Immunization:				
Section 317 Program: Current Law	$627,239	$627,601	$620,506	($7,095)
Section 317 Program: Proposed Law	$627,239	$627,601	$510,506	($117,095)
Infectious Disease Control	$348,181	$334,733	$331,640	($3,093)
Injury Prevention and Control	$149,502	$145,026	$144,796	($230)
Occupational Safety and Health	$275,808	$247,580	$246,329	($1,251)
Preventive Health and Health Services Block Grant	$134,958	$134,966	$134,966	$0
Public Health Improvement	$148,306	$117,081	$113,677	($3,404)
Emergency Response and Recovery	$12,000	$0	$0	$0
Office of the Director	$49,077	$50,652	$59,707	$9,055
Buildings and Facilities				
Budget Authority	$250,000	$64,000	$114,000	$50,000
Terrorism	$46,000	$120,000	$0	($120,000)
Subtotal, Buildings and Facilities	*$296,000*	*$184,000*	*$114,000*	*($70,000)*
Total, L/HHS/ED (BA): Current Law	**$4,371,591**	**$4,186,315**	**$4,267,330**	**$81,015**
Total, L/HHS/ED (BA): Proposed Law	**$4,371,591**	**$4,186,315**	**$4,157,330**	**($28,985)**
(Total, HIV/AIDS—nonadd)	*$956,141*	*$1,033,190*	*$1,082,332*	*$49,142*
ATSDR	$78,203	$77,388	$73,467	($3,921)
Total, L/HHS/Ed. and ATSDR (BA): Current Law	**$4,449,794**	**$4,263,703**	**$4,340,797**	**$77,094**
Total, L/HHS/Ed. and ATSDR (BA): Proposed Law	**$4,449,794**	**$4,263,703**	**$4,230,797**	**($32,906)**
Terrorism (Nonbuildings and Facilities):				
All Inclusive	$2,258,439	$1,516,156	$1,516,156	$0
Less Smallpox	($512,000)	($100,000)	($100,000)	$0
Less Strategic National Stockpile	($645,000)	($300,000)	($300,000)	$0
Subtotal, Terrorism[1]	***$1,101,439***	***$1,116,156***	***$1,116,156***	***$0***
PHS Evaluation Transfers (Health Statistics)	$23,286	$46,982	$51,982	$5,000
Vaccines for Children— Current Law	$989,535	$1,056,185	$980,196	($75,989)
Vaccines for Children—Proposed Law	$989,535	$1,056,185	$1,145,196	$89,011
User Fees	$2,226	$2,226	$2,226	$0
Total, CDC—Program Level: Current Law	**$6,566,280**	**$6,485,252**	**$6,491,357**	**$6,105**
Total, CDC—Program Level: Proposed Law	**$6,566,280**	**$6,485,252**	**$6,546,357**	**$61,105**
Full-Time Equivalents (FTE)	**8,663**	**8,668**	**8,671**	**3**

[1]Reflects the transfer of funding from HHS to DHS for Smallpox and the Strategic National Stockpile.

Centers for Disease Control and Prevention

FY 2004 Budget Request—Detail of Increases/Decreases

(Dollars in Thousands)

Program	FY 2002 Enacted	FY 2003 President's Budget	FY 2004 Estimate Program Inc./Dec.	Subtotal, FY 2004	Federal Pay Raise	Admin/IT Reductions	Total, FY 2004 Estimate	FY04 Est. +/- FY03 PB
Birth Defects and Disabilities:								
Birth Defects and Developmental Disabilities	$71,180	$70,819	$0	$70,819	$225	($1,803)	$69,241	($1,578)
Disability and Health	$18,766	$18,636	$0	$18,636	$59	($474)	$18,221	($415)
Birth Defects and Disabilities	*$89,946*	*$89,455*	*$0*	*$89,455*	*$284*	*($2,277)*	*$87,462*	*($1,993)*
Chronic Disease Prevention and Health Promotion:								
Heart Disease and Stroke	$37,378	$37,218	$3,000	$40,218	$98	($177)	$40,139	$2,921
Diabetes	$61,683	$61,480	$0	$61,480	$162	($292)	$61,350	($130)
Cancer Prevention and Control	$268,627	$277,149	$11,000	$288,149	$730	($1,314)	$287,565	$10,416
Arthritis and Other Chronic Diseases	$20,812	$20,807	$0	$20,807	$55	($99)	$20,763	($44)
Tobacco	$100,973	$100,623	$0	$100,623	$265	($477)	$100,411	($212)
Nutrition, Physical Activity and Obesity	$27,505	$27,383	$0	$27,383	$72	($129)	$27,326	($57)
Health Promotion	$15,235	$15,175	$1,000	$16,175	$40	($72)	$16,143	$968
School Health	$58,443	$58,235	$5,000	$63,235	$153	($276)	$63,112	$4,877
Safe Motherhood/ Infant Health	$50,697	$50,565	$0	$50,565	$133	($240)	$50,458	($107)
Oral Health	$10,814	$10,791	$0	$10,791	$29	($51)	$10,769	($22)
Prevention Centers	$26,176	$26,066	$0	$26,066	$69	($124)	$26,011	($55)
Youth Media Campaign	$68,388	$0	$5,000	$5,000	$0	$0	$5,000	$5,000
Prevention Initiative	$0	$25,000	$100,000	$125,000	$0	$0	$125,000	$100,000
Chronic Disease Prevention and Health Promotion	*$746,731*	*$710,492*	*$125,000*	*$835,492*	*$1,806*	*($3,251)*	*$834,047*	*$123,555*
Environmental Disease Prevention:								
Environmental Health Laboratory	$37,080	$36,826	$0	$36,826	$204	($733)	$36,297	($529)
Environmental Health Activities	$39,764	$39,710	$0	$39,710	$220	($791)	$39,139	($571)
Asthma	$35,063	$34,757	$0	$34,757	$192	($691)	$34,258	($499)
Childhood Lead Poisoning	$41,490	$41,124	$0	$41,124	$227	($818)	$40,533	($591)
Environmental Disease Prevention	*$153,397*	*$152,417*	*$0*	*$152,417*	*$843*	*($3,033)*	*$150,227*	*($2,190)*

Centers for Disease Control and Prevention

FY 2004 Budget Request—Detail of Increases/Decreases, *continued*

(Dollars in Thousands)

Program	FY 2002 Enacted	FY 2003 President's Budget	FY 2004 Estimate Program Inc./Dec.	Subtotal, FY 2004	Federal Pay Raise	Admin/IT Reductions	Total, FY 2004 Estimate	FY04 Est. +/- FY03 PB
Epidemic Services and Response	$80,156	$78,133	$0	$78,133	$915	($2,890)	$76,158	($1,975)
Health Statistics:								
Field Operations	$65,197	$64,782	$2,260	$67,042	$597	($3,955)	$63,684	($1,098)
Statistical Program Infrastructure	$61,553	$61,379	$2,740	$64,119	$566	($3,748)	$60,937	($442)
Health Statistics	*$126,750*	*$126,161*	*$5,000*	*$131,161*	*$1,163*	*($7,703)*	*$124,621*	*($1,540)*
HIV/AIDS, STD, and TB Prevention:								
HIV/AIDS: State and Local Health Departments	$429,153	$428,848	$0	$428,848	$0	$0	$428,848	$0
HIV/AIDS: Community Planning Grants (nonadd)	*($327,705)*	*($327,705)*	*$0*	*($327,705)*	*$0*	*$0*	*($327,705)*	*$0*
HIV/AIDS: National/Regional/ Other Organizations	$175,491	$175,425	$0	$175,425	$0	$0	$175,425	$0
HIV/AIDS: CDC Research, Technical Assistance and Program Support	$84,525	$86,925	$0	$86,925	$555	($1,413)	$86,067	($858)
Subtotal, Research and Domestic HIV/AIDS	*$689,169*	*$691,198*	*$0*	*$691,198*	*$555*	*($1,413)*	*$690,340*	*($858)*
HIV/AIDS: Global HIV/AIDS	$168,720	$243,763	$50,000	$293,763	$0	$0	$293,763	$50,000
Subtotal, HIV/AIDS	*$857,889*	*$934,961*	*$50,000*	*$984,961*	*$555*	*($1,413)*	*$984,103*	*$49,142*
Sexually Transmitted Diseases (STD)	$166,534	$167,350	$0	$167,350	$1,067	($2,721)	$165,696	($1,654)
Tuberculosis (TB)	$132,403	$132,689	$0	$132,689	$846	($2,158)	$131,377	($1,312)
HIV/AIDS, STD, and TB Prevention	*$1,156,826*	*$1,235,000*	*$50,000*	*$1,285,000*	*$2,468*	*($6,292)*	*$1,281,176*	*$46,176*
Immunization:								
Vaccine Purchase Grants (Current Law)	$223,233	$223,233	$0	$223,233	$339	($2,862)	$220,710	($2,523)
Vaccine Purchase Grants (Proposed Law)	$223,233	$223,233	($110,000)	$113,233	$339	($2,862)	$110,710	($112,523)
State Operations/ Infrastructure Grants	$200,697	$200,697	$0	$200,697	$304	($2,574)	$198,427	($2,270)
Prevention Activities	$69,637	$69,883	$0	$69,883	$106	($896)	$69,093	($790)
Global Immunization Activities	$133,672	$133,788	$0	$133,788	$203	($1,715)	$132,276	($1,512)
Immunization Current Law	*$627,239*	*$627,601*	*$0*	*$627,601*	*$952*	*($8,047)*	*$620,506*	*($7,095)*
Immunization Proposed Law	*$627,239*	*$627,601*	*($110,000)*	*$517,601*	*$952*	*($8,047)*	*$510,506*	*($117,095)*

Centers for Disease Control and Prevention

FY 2004 Budget Request—Detail of Increases/Decreases, *continued*

(Dollars in Thousands)

Program	FY 2002 Enacted	FY 2003 President's Budget	FY 2004 Estimate Program Inc./Dec.	Subtotal, FY 2004	Federal Pay Raise	Admin/IT Reductions	Total, FY 2004 Estimate	FY04 Est. +/- FY03 PB
Infectious Disease Control:								
Infectious Diseases	$305,149	$292,850	$0	$292,850	$2,463	($5,169)	$290,144	($2,706)
Food Safety	$35,957	$34,907	$0	$34,907	$293	($616)	$34,584	($323)
Chronic Fatigue Syndrome (CFS)	$7,075	$6,976	$0	$6,976	$59	($123)	$6,912	($64)
Infectious Disease Control	*$348,181*	*$334,733*	*$0*	*$334,733*	*$2,815*	*($5,908)*	*$331,640*	*($3,093)*
Injury Prevention and Control:								
Intentional Injury	$110,742	$108,103	$0	$108,103	$289	($460)	$107,932	($171)
Unintentional Injury	$38,760	$36,923	$0	$36,923	$99	($158)	$36,864	($59)
Injury Prevention and Control	*$149,502*	*$145,026*	*$0*	*$145,026*	*$388*	*($618)*	*$144,796*	*($230)*
Occupational Safety and Health	$275,808	$247,580	$0	$247,580	$3,111	($4,362)	$246,329	($1,251)
Preventive Health and Health Services Block Grant	$134,958	$134,966	$0	$134,966	$0	$0	$134,966	$0
Public Health Improvement:								
Public Health Practice	$64,610	$51,921	$0	$51,921	$569	($1,762)	$50,728	($1,193)
Extramural Prevention Research	$18,092	$0	$0	$0	$0	$0	$0	$0
Eliminating Racial and Ethnic Disparities	$37,804	$37,551	$0	$37,551	$0	($1,274)	$36,277	($1,274)
National Electronic Disease Surveillance System	$27,800	$27,609	$0	$27,609	$0	($937)	$26,672	($937)
Public Health Improvement	*$148,306*	*$117,081*	*$0*	*$117,081*	*$569*	*($3,973)*	*$113,677*	*($3,404)*
Emergency Response and Recovery	$12,000	$0	$0	$0	$0	$0	$0	$0
Office of the Director	$49,077	$50,652	$10,000	$60,652	$683	($1,628)	$59,707	$9,055
Buildings and Facilities:								
Budget Authority	$250,000	$64,000	$50,000	$114,000	$0	$0	$114,000	$50,000
Terrorism	$46,000	$120,000	($120,000)	$0	$0	$0	$0	($120,000)
Buildings and Facilities	$296,000	$184,000	($70,000)	$114,000	$0	$0	$114,000	($70,000)

Centers for Disease Control and Prevention

FY 2004 Budget Request—Detail of Increases/Decreases, *continued*

(Dollars in Thousands)

Program	FY 2002 Enacted	FY 2003 President's Budget	FY 2004 Estimate Program Inc./Dec.	Subtotal, FY 2004	Federal Pay Raise	Admin/IT Reductions	Total, FY 2004 Estimate	FY04 Est. +/- FY03 PB
ATSDR	$78,203	$77,388	$0	$77,388	$896	($4,817)	$73,467	($3,921)
Terrorism (Nonbuildings and Facilities):								
Terrorism All Inclusive	$2,258,439	$1,516,156	$0	$1,516,156	$0	$0	$1,516,156	$0
Upgrading State and Local Capacity	$940,174	$940,000	$0	$940,000	$0	$0	$940,000	$0
Upgrading CDC Capacity	$143,225	$158,116	$0	$158,116	$0	$0	$158,116	$0
Anthrax	$18,040	$18,040	$0	$18,040	$0	$0	$18,040	$0
Less: Strategic National Stockpile	($645,000)	($300,000)	$0	($300,000)	$0	$0	($300,000)	$0
Less: Smallpox	($512,000)	($100,000)	$0	($100,000)	$0	$0	($100,000)	$0
Terrorism[1]	*$1,101,439*	*$1,116,156*	*$0*	*$1,116,156*	*$0*	*$0*	*$1,116,156*	*$0*
Vaccines for Children (VFC):								
Vaccines for Children —Current Law	$989,535	$1,056,185	($75,989)	$980,196	$0	$0	$980,196	($75,989)
Vaccines for Children —Proposed Law	$989,535	$1,056,185	$89,011	$1,145,196	$0	$0	$1,145,196	$89,011
User Fees	$2,226	$2,226	$0	$2,226	$0	$0	$2,226	$0
Total, CDC Program Level: Current Law	$6,566,280	$6,485,252	$44,011	$6,529,263	$16,893	($54,799)	$6,491,357	$6,105
Total, CDC Program Level: Proposed Law	$6,566,280	$6,485,252	$99,011	$6,584,263	$16,893	($54,799)	$6,546,357	$61,105

[1] Reflects the transfer of funding from HHS to DHS for Smallpox and the Strategic National Stockpile.

Centers for Disease Control and Prevention

FY 2004 Budget Request—Funding by Disease

(Dollars in Thousands)

Disease	FY 2002 Actual	FY 2003 Presidential Budget	FY 2004 Estimate[1]	Change +/- Dollars	2003 PB Percentage
Arthritis	$13,808	$13,803	$13,803	$0	0.0%
Autism	$8,000	$8,000	$8,000	$0	0.0%
Breast and Cervical Cancer	$191,965	$201,065	$211,065	$10,000	5.0%
Cancer Registries	$40,000	$39,500	$39,500	$0	0.0%
Colorectal Cancer	$12,000	$11,838	$11,838	$0	0.0%
Comprehensive Cancer	$4,357	$4,691	$5,691	$1,000	21.3%
Diabetes	$61,683	$61,480	$61,480	$0	0.0%
Emerging Infectious Disease	$305,149	$292,850	$292,850	$0	0.0%
Epilepsy	$6,527	$6,527	$6,527	$0	0.0%
Fetal Alcohol Syndrome	$12,000	$12,000	$12,000	$0	0.0%
Global Malaria	$13,000	$13,000	$13,000	$0	0.0%
Hantavirus/Special Pathogens	$7,022	$7,022	$7,022	$0	0.0%
Hepatitis C	$21,930	$21,930	$21,930	$0	0.0%
HIV/AIDS - Research & Domestic (CDC-wide)	$787,421	$789,427	$789,427	$0	0.0%
HIV/AIDS - Global (CDC-wide)	$143,720	$243,763	$293,763	$50,000	20.5%
HIV/AIDS - (CDC-wide)	$931,141	$1,033,190	$1,083,190	$50,000	4.8%
Infertility	$30,186	$30,186	$30,186	$0	0.0%
NORA	$94,838	$67,897	$66,247	$0	0.0%
Ovarian Cancer	$4,596	$4,596	$4,596	$0	0.0%
Pfiesteria	$9,081	$9,081	$9,081	$0	0.0%
Prostate Cancer	$14,062	$13,812	$13,812	$0	0.0%
Radiation	$1,948	$1,948	$1,948	$0	0.0%
Skin Cancer	$1,647	$1,647	$1,647	$0	0.0%
Syphilis Elimination	$37,413	$37,413	$37,413	$0	0.0%
Vaccine Safety	$14,367	$14,367	$14,367	$0	0.0%

[1]FY 2004 funding levels do not include appropriate share of the FY 2004 federal pay raise, management reductions, and information technology cost savings.

Centers for Disease Control and Prevention

Disease Control, Research, and Training

Appropriation History Table[1]

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1995	$ 1,983,132,000	$2,086,850,000	$ 2,050,931,000	$ 2,088,131,000
1995 Rescission	—	—	—	2,086,831,000 [2]
1996	2,191,660,000	2,124,931,000	2,091,883,000	2,114,693,000
1997	2,229,900,000	2,187,018,000	2,209,950,000	2,302,168,000 [3]
1998	2,316,317,000 [4]	2,388,737,000	2,368,133,000	2,374,625,000 [5]
1998 Supplemental	—	—	—	9,000,000 [6]
1999	2,457,197,000	2,591,433,000	2,366,644,000 [7]	2,609,520,000 [8]
1999 Offset				(2,800,000) [9]
1999 Resc./1% Transfer	—	—	—	(3,539,000)
2000	2,855,440,000 [10]	2,810,476,000	2,802,838,000	2,961,761,000 [11]
2000 Rescission	—	—	—	(16,810,000)
2001	3,239,487,000	3,290,369,000	3,204,496,000	3,868,027,000
2001 Rescission	—	—	—	(2,317,000)
2001 Sec's 1% Transfer	—	—	—	(2,936,000)
2002	3,878,530,000	4,077,060,000	4,418,910,000	4,293,151,000
2002 Rescission	—	—	—	(1,894,000)[12]
2002 Rescission	—	—	—	(2,698,000)[13]
2003	3,931,742,000 [14]	—	—	—
2004	$ 4,157,330,000	$ —	$ —	$ —

[1] Does not include funding for ATSDR and Bioterrorism.

[2] This appropriated amount reflects a proposed rescission of $1,300,000 within Injury Control activities.

[3] Includes $32,000,000 for the transfer of the Bureau of Mines. Transfer occurred in FY 1997.

[4] Includes $522,000 supplemental increase for ICASS activities.

[5] Includes $509,000 supplemental increase for ICASS activities/transfer from Department of State and a $4.436 million reduction due to the exercise of the Secretary's 1% Transfer Authority.

[6] This supplemental increase was provided for emergency Polio eradication efforts in Africa.

[7] Does not include emergency funding provided under the Public Health and Social Services Emergency Fund (PHSSEF) for $228,400,000 or $25,000,000 in interagency transfer from NIH for state tobacco control activities.

[8] Does not include $156,600,000 in FY 1999 for emergency funding provided under the PHSSEF for Bioterrorism, Polio, and Measles, and the Environmental Health Laboratory.

[9] This offset was used to fund Bioterrorism across the Department of Health and Human Services.

[10] Revised to include $35,000,000 for Global HIV initiative. Does not include $20,000,000 ($18,040,000 with rescission of $1,960,000) transferred from NIH for Anthrax.

[11] Does not include $229,000,000 ($228,680,000 with rescission of $320,000) in FY 2000 for emergency funding provided under the PHSSEF for Bioterrorism, Global AIDS, Polio, Malaria, Micronutrient Malnutrition, and the Environmental Health Laboratory.

[12] Administrative and Related Expenses Reduction under PL 107-116.

[13] Administrative and Related Expenses Reduction under PL 107-206.

[14] Includes Retirement accruals of +$57,297,000; Management Reform Savings of -$27,295,000.

Centers for Disease Control and Prevention

Terrorism Funding

Appropriation History Table

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1999	$ —	$43,000,000 [1]	$ 81,000,000	$ 123,600,000
2000	118,000,000	138,000,000	189,000,000	155,000,000
2000 Rescission	—	—	—	(320,000)
2001	148,500,000	182,000,000	148,500,000	180,919,000
2002	181,919,000	231,919,000	181,919,000	181,919,000
2002 PHSSEF [2]				2,070,000,000
2002 Rescission [3]	—	—	—	(396,000)
2003 [4]	1,116,740,000	—	—	—
2003 Transfer [5]	(400,584,000)	—	—	—
2004 [4]	$1,116,156,000	$ —	$ —	$ —

[1] This funding was an amendment to the original House mark, which did not include Bioterrorism.
[2] Public Health and Social Services Emergency Fund.
[3] Administrative and Related Expenses Reduction.
[4] Funding will be provided through the Public Health and Social Services Emergency Fund (PHSSEF).
[5] $300,000,000 for the National Pharmaceutical Stockpile and $100,000,000 for smallpox to the Department of Homeland Security.

Agency for Toxic Substances and Disease Registry

Appropriation History Table

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1995	$53,000,000	$68,838,000	$68,838,000	$68,838,000
1996	68,000,000	62,000,000	55,000,000	59,000,000
1997	58,000,000	60,200,000	60,200,000	64,000,000
1998	64,000,000	80,000,000	80,000,000	74,000,000
1999	64,000,000	74,000,000	74,000,000	76,000,000
2000	64,000,000	70,000,000	70,000,000	70,000,000
2001	64,000,000	70,000,000	75,000,000	75,000,000
2001 Rescission	—	—	—	(165,000)
2002	78,235,000	78,235,000	78,235,000	78,235,000
2002 Rescission	—	—	—	(32,000)
2003	77,388,000	—	—	—
2004	$73,467,000	$ —	$ —	$ —

President's Management Agenda and Other Program Management Issues

CDC and ATSDR support fully the crucial public health mission of the Department of Health and Human Services and the President's Management Agenda, a set of governmentwide initiatives announced during FY 2001. Because the President's Management Agenda reflects effective business practices, CDC/ATSDR management is constantly striving to ensure that we comply with this agenda.

During FY 2002, CDC established an executive steering committee both to accentuate the agency's focus and to provide guidance in achieving the outcomes of the agenda. CDC also appointed a full-time coordinator for issues related to the President's Management Agenda.

This pursuit of the President's Management Agenda program dovetails with other ongoing efforts by program managers to ensure that all programs and systems function efficiently and effectively and to identify and correct any problems that could affect the fiscal stewardship and accountability of CDC/ATSDR. Many of those efforts also tie in with the Federal Managers Financial Integrity Act (FMFIA), which sets forth conditions and standards that ensure the public's resources are protected from fraud, waste, and abuse.

This overview highlights the progress CDC/ATSDR made toward accomplishing these governmentwide management initiatives during FY 2002.

President's Management Agenda

Strategic Management of Human Capital

The workforce at CDC/ATSDR comprises permanent civil service staff (78%), Commissioned Corps employees (10%), and temporary employees (12%)—all of whom are critical for accomplishing our program initiatives. A large portion of CDC's workforce consists of individuals directly involved with either conducting or supporting public health activities, commensurate with CDC's vision of "Healthy People in a Healthy World—Through Prevention." For example, our three most populous occupational categories are those for general health scientist or epidemiologist, public health program specialist, and medical officer. About two

thirds of CDC employees work in the Atlanta headquarters area. However, the agency also has a major presence (defined as more than 50 employees) in Cincinnati, Ohio; Morgantown, West Virginia; Hyattsville, Maryland; Pittsburgh, Pennsylvania; Washington, D.C.; Spokane Washington; Durham, North Carolina; and Fort Collins, Colorado. CDC currently has an overseas presence of more than 100 employees, and that number is expected to grow significantly during the next few years.

In support of the President's Governmentwide Management Reforms, CDC/ATSDR has submitted a "restructuring and delayering plan" that emphasizes reducing the number of managers, organizational layers, and the time it takes to make decisions; increasing the span of control; and redirecting employees to customer service positions. CDC's efforts contributed to HHS being scored "Green" on Human Capital by OMB's recent PMA progress report.

Competitive Sourcing

CDC has met the Competitive Sourcing goals set forth in the President's Management Agenda by annually refining the FAIR (Federal Activities Inventory Reform) Act inventory to reflect the differentiation between commercial and inherently governmental work conducted at CDC/ATSDR and by developing and implementing competitive sourcing plans for FY 2002 and FY 2003. CDC has fully achieved the FY 2002 goal to conduct studies or directly convert 5% of the commercial-type positions, has a compliant competitive sourcing plan for FY 2003, and will soon be finalizing a plan for FY 2004.

Improving Financial Management

During the last decade, the magnitude both of CDC's budget and of our public health responsibilities has dramatically increased. CDC's management responded by reviewing key fiscal management issues and developing a Financial Management Excellence Initiative to improve fiscal management practices in these areas:

- Accountability—CDC and ATSDR have received—for the fifth consecutive year—an unqualified audit opinion, as documented in its Chief Financial Officer's Annual Reports for each of those years. Such an opinion indicates that the CDC financial statements present fairly, in all material respects, the financial position of CDC in accordance with accounting principles generally accepted in the United States and that CDC provides effective financial stewardship for the public funds it is entrusted with.

  Although the auditors do not express an opinion on internal controls, the auditors test selected controls, assess significant estimates made by management,

and evaluate overall financial statement presentation. In previous years, the financial auditors identified some reportable conditions that CDC is working to correct, but CDC had no material reportable conditions in FY 2002.

CDC tracks financial audit recommendations in a Corrective Action Plan (CAP) and provides quarterly updates to HHS. CDC also performs management control reviews and risk assessments under the Federal Managers' Financial Integrity Act and prepares an annual report for HHS. For several years, CDC has had a Financial Policy and Internal Quality Assurance Activity within its Financial Management Office to develop financial policy and monitor compliance with laws, rules, and regulations.

- Erroneous Payments—In FY 2002, CDC processed approximately 152,653 payments. Of this total, CDC issued 64 (.04%) duplicate or erroneous payments. Collection action has been initiated, and many of these payments have been collected. In addition, CDC leads in the area of prompt payment with a 97% compliance rate.
- New Method for Cost Allocation—CDC has implemented a new method for allocating two categories of indirect costs with the cost of performing those services. The first links users of with the expenses from providing centrally mandated services that provide benefits to the overall CDC organization. These are the normal, recurring expenses such as GSA rental payments, utilities, postage, maintenance, security services, and departmental assessments. The second ties back the costs of program support services related to the multiple activities and functions of administering and managing CDC's programs. These costs include awarding and administering contracts and grants; property and facilities planning and management; procedures and analysis; printing and distributing publications; personnel processing and training; and telecommunications and information technologies and systems.

  This new method provides a rationale for justifying those assessments with federal accounting laws, standards, and regulations. The appropriate usage data, which support assessments for the various activities and support services, are collected and analyzed annually, per the requirements of the Statement of Federal Financial Accounting Standards (SFFAS) 4, *Managerial Cost Accounting Concepts and Standards for the Federal Government*, and other regulations and requirements such as the Government Performance and Results Act (GPRA).

  CDC has established an Indirect Cost Governing Council to provide advice about indirect and centralized cost allocation, appropriateness of costs, evaluation of investment, and future investment priorities.

- Financial Systems—CDC has been working to enhance and improve its fiscal management activities in areas such as core accounting competencies, professional staff recruitment, financial systems, training, and customer service. CDC is an integral partner in HHS's initiative to develop the Unified Financial Management System (UFMS) that will serve to reduce the number of financial systems across the department, consolidate redundant financial operations, and interface the accounting system with other business systems such as those used for grants, travel, and personnel. The implementation of UFMS began in October 2002.
- Leadership and Staffing—A key CDC priority continues to be strengthening its accounting staff by recruiting and hiring qualified experienced accountants, certified government financial managers, and certified public accountants. CDC has developed a Financial Management Certificate Program to enable enables financial management staff to hone and improve their skills.
- Communications and Training—CDC's Financial Management Certificate Program was designed to build fiscal excellence and provide individuals who attain the certificate with the knowledge and skills to make sound financial management decisions. Nine CDC employees have completed this program, and more than 210 more are currently enrolled. CDC is now sharing information about fiscal procedures and issues through various channels, including its Web site, and will step up these efforts. CDC also plans to host regular forums for discussing fiscal management issues.

  CDC's impeccable scientific integrity and its excellent record of fiscal stewardship and accountability are integrally related. Implementing the Financial Management Excellence Initiative provides CDC with an opportunity to improve our already strong fiscal management practices.

  CDC continually strives to pursue to build and sustain awareness and trust in CDC's ability to protect people's safety and health, to provide information that people can count on, and to improve health through strong partnerships. Creating and bolstering communication training for public health workers through CDCynergy, an interactive training tool, is a key priority. CDCynergy integrates theories, frameworks, and approaches from behavioral science, risk communication, social marketing, and health education to teach practitioners to use effective communications to promote health.

E–Government

In concert with the Administration's emphasis on expanded E-Government, CDC has actively pursued and contributed to the President's E-Government agenda through actions such as the following:

- Governmentwide E-Commerce Projects—Participated in seven E-Government projects: E-Vitals, GovBenefits, E-Grants, E-Travel, consolidated health informatics, SAFECOM, and Geospatial Information One-Stop. These projects involve 16 CDC programs and $4.4 billion.
- E-Commerce—Following the lead of HHS, CDC will be conducting its E-Commerce business through E-Procurement and E-Grants. CDC's automated contracting and purchasing will integrate with the governmentwide Web site, www.FebBizOps.gov, which has been designated as the single source for federal government procurement opportunities that exceed $25,000.
- HHS Initiatives—CDC led or contributed to HHS' E-Government initiatives, such as the HHS Enterprise IT Strategic Plan, UFMS, Enterprise Human Resources and Payroll, consolidated IT infrastructure, and enterprise information security.
- CDC Web site—CDC continues making improvements and additions to be more citizen-centered through improved information presentation, navigation, and search capability, thereby providing improved service and enriched health content to serve the public, health practitioners, and other groups.
- Better Data Sharing—CDC recognizes the difficulties in exchanging vital data with its many partners thereby limiting the usefulness and completeness of health statistics. Adopting industry standards could bridge this divide and improve the abilities of public health agencies and partners to target and evaluate interventions.
- Government Paperwork Elimination Act (GPEA)—CDC continues working toward compliance with GPEA by the October 2003 deadline by providing the various means to collect and disseminate information electronically and making extensive use of the CDC Web site as a portal for distributing both consumer and professional health information and publications.

Budget and Performance Integration

CDC continues taking steps to improve its budget and performance integration. CDC's Annual Performance Plan includes a "performance road map" that shows the relationship between CDC major budget activities and the performance goals undergirding them. It also includes a cross-referencing system that documents how performance measures relate to the budget request, *Healthy People 2010*, One HHS Outcome Goals, and the President's Management Agenda. CDC continues streamlining its reporting of performance measures. CDC's Fiscal Year 2003 Performance Plan contained 228 performance measures. The FY 2004 plan, being prepared for submission, contains 100 performance measures, including 39 outcome measures.

OMB selected five CDC program areas to complete the Program Assessment Rating Tool process. CDC provided HHS with all assessment tools, supporting documentation, and completed responses on schedule. CDC will apply the lessons from this initial round to improve program performance and effectiveness.

Finally, CDC has been involved in a pilot program with HHS designed to streamline several grant programs, initially asthma, diabetes, and obesity. CDC has provided HHS with suggestions for lifting administrative burdens tied to this grant process while still holding grantees to program outcomes. OMB is currently reviewing these proposals.

Other Program Management Issues

Security of Information Technology

CDC continually refines and reviews its performance in addressing the most significant risks to its technology infrastructure and its policies, technical standards, and procedures to ensure they are current, effective, and complete. CDC's secure data network uses public key infrastructure to implement strong authentication, encryption, and digital signatures to ensure reliable, protected, and authenticated data exchanges over the Internet for public health surveillance. For example, CDC has issued more than 3,000 digital certificates to partners in state and local health departments and more than 7,000 one-time passcode tokens that ensure the authentication of staff accessing CDC systems remotely. CDC has also greatly improved its network-based virus prevention, intrusion detection and protection, disaster recovery, and other security areas.

Physical Infrastructure: Buildings and Facilities

CDC's management has the responsibility to ensure that its facilities and equipment are adequate to carry out CDC's public health mission; that all facilities, particularly laboratories, are safe for both workers and the community; that the taxpayers' investment in these facilities is protected through effective maintenance and operations; that facilities meet applicable fire and life safety codes; and that responsible energy consumption is standard practice in all CDC facilities. To meet those goals, CDC's management monitors the adequacy of space assignments and the conditions of CDC's facilities. CDC's management determines the need for repairs and improvements and schedules major and minor renovation, construction, and other facilities projects. During FY 2002, CDC spent approximately $250 million for buildings and facilities, largely for the ongoing funding and continued construction of new facilities at the Roybal and Chamblee campuses and for the designing and starting construction of other key efforts to upgrade the agency's physical infrastructure:

- Made substantial progress on the construction of the infectious disease laboratory at the Roybal campus and completed funding for this project.
- Awarded a contract for CDC's scientific communications center to be built on the Roybal campus.
- Began designing massive infrastructure and security center upgrades for the Roybal Campus.
- Awarded a contract for the new environmental toxicology laboratory on the Chamblee campus.
- Began designing the replacement laboratory for vector-borne diseases at the Fort Collins, Colorado, facility.

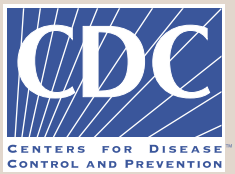
Promoting Health through Strong Partnerships

Throughout its history, CDC has placed a premium value on developing and nurturing partnerships with various public and private entities. These partnerships improve and expand the scope and depth of public health services for the American people. CDC's numerous partners in conducting effective prevention, control, research, and communication activities include

- public health associations;
- state and local public health departments;
- federal, state, and local law enforcement agencies and first-responders such as firefighters and rescue workers;
- practicing health professionals, including physicians, dentists, nurses, and veterinarians;
- schools and universities;
- communities of faith;
- community, professional, and philanthropic organizations;
- nonprofit and voluntary organizations;
- business, labor, and industry;
- the CDC Foundation and other foundations;
- international health organizations;
- state and local departments of education.

CDC's partners implement most of the agency's extramural programs, programs that are tailored to reflect local and community needs. These myriad partners also contribute by serving as consultants to CDC program staff, by sitting on advisory bodies at CDC, and by participating in CDC-sponsored seminars and conferences. The diverse perspectives offered by these partnerships serve to generate new opportunities for collaborations, help shape key strategies, and keep CDC/ATSDR focused on the needs of the American public. Sustaining these partnerships requires tremendous coordination and communication.

In 2003, the majority of CDC's budget—provided through extramural grants, cooperative agreements, and program contracts—was spent on public health work performed by CDC's partners.



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