CONCERNS FACING THE P.H.S.

By

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(GREETINGS TO HOSTS, GUESTS)

IT'S A PLEASURE TO BE HERE, REPRESENTING THE U.S. PUBLIC HEALTH SERVICE, AND TO BE AGAIN IN THE COMPANY OF MY COLLEAGUES FROM THE OTHER SERVICES. THIS HAS BEEN A SPECIAL YEAR FOR THE P.H.S. AND FOR ME PERSONALLY, AS FAR AS INTER-SERVICE COOPERATION IS CONCERNED. FOR THE YEAR ENDING THIS OCTOBER, I HAVE HAD THE PRIVILEGE OF SERVING AS PRESIDENT OF THE ASSOCIATION OF MILITARY SURGEONS OF THE UNITED STATES.

WHEN I TOOK OVER THAT POST LAST OCTOBER, I WAS THE PROVERBIAL "NEW KID ON THE BLOCK." I HAD JUST COMPLETED MY CONFIRMATION HEARINGS BEFORE THE SENATE COMMITTEE -- BUT I HAD NOT YET BEEN SWORN IN AS THE SURGEON GENERAL. SO I WAS ESPECIALLY TOUCHED BY THE WARM RECEPTION GIVEN TO ME BY MY COLLEAGUES IN FEDERAL MEDICINE IN THE OTHER SERVICES WHEN I TOOK OVER THE A.M.S.U.S. GAVEL IN SAN ANTONIO LAST YEAR.

IT HAS BEEN A GOOD YEAR FOR A.M.S.U.S. ALL THE SURGEONS GENERAL KNEW EACH OTHER EITHER PERSONALLY OR BY REPUTATION AND WE HAVE WORKED TOGETHER AND CONSULTED TOGETHER ON A VARIETY OF MATTERS THAT AFFECT NOT ONLY OUR OWN ORGANIZATIONS BUT THAT MAY ALSO ENHANCE THE QUALITY OF CIVILIAN HEALTH AND MEDICAL CARE IN REMOTE RURAL AREAS.
A wide range of activities will be discussed at our next A.M.S.U.S. annual meeting in Orlando, Florida, during the week of October 17. One reason this organization has such a broad agenda is that there are actually very few "military surgeons" as such in A.M.S.U.S., but there are a great many other medical skills represented -- internists, nurses, technicians, dentists, and so on. In fact, discussion is now going on within A.M.S.U.S. regarding the possibility of adopting a more accurate name for the organization.

But let me return to the immediate business of this morning's panel...that is, to give you a picture of what the public health service looks like now, what it may look like in a year or so, and what its major challenges seem to be for the next five years.

First, you should know that the public health service is far from being a monolith. It is made up of five agencies, each one demonstrating what is by a now a traditional streak of stubborn independence. That quality may help explain why its personnel chased off to Africa and Asia to wipe out smallpox -- and did. And it may also explain why the P.H.S. took off after cigarette smoking -- no minor challenge either -- and has apparently convinced more Americans to quit smoking than the number who start smoking each year. So that is turning around, also.

TAKING THEM IN ALPHABETICAL ORDER, I'LL START WITH THE ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION. THE TITLE SAYS IT ALL. THIS AGENCY HAS THREE NATIONAL INSTITUTES -- OF MENTAL HEALTH, OF DRUG ABUSE, AND OF ALCOHOLISM AND ALCOHOL ABUSE. THESE INSTITUTES HAVE CARRIED OUT RESEARCH AND PUBLIC EDUCATION PROGRAMS AND, UNTIL RECENTLY, SUPPORTED A WIDE RANGE OF SERVICE DELIVERY PROGRAMS AT THE LOCAL LEVEL ...800 MENTAL HEALTH CENTERS...300 STATE AND LOCAL DRUG ABUSE PROGRAMS ...AND ABOUT 1,000 LOCAL ALCOHOLISM PROJECTS. BUT MORE ABOUT THOSE PROJECTS LATER.

THE FISCAL 1983 APPROPRIATION THAT THE PRESIDENT PROPOSED FOR A.D.A.M.H.A. IS $373 MILLION DOLLARS.

THE CENTERS FOR DISEASE CONTROL, OR C.D.C., ARE HEADQUARTERED IN ATLANTA. AS THE NAME IMPLIES, THE CENTERS ARE CONCERNED PRIMARILY WITH CONTROLLING OR PREVENTING COMMUNICABLE AND VECTOR-BORNE DISEASES.
YOU HAVE PROBABLY READ C.D.C.'s MORTALITY AND MORBIDITY WEEKLY REPORT, THE BAROMETER OF INFECTIOUS DISEASE ACTIVITY IN THIS COUNTRY.

C.D.C.'s HISTORY IS ROOTED IN THAT STRONG TROPICAL DISEASE FRATERNITY WHO LABORED WITH WILLIAM CRAWFORD GORGAS AND WALTER REED IN THE CARIBBEAN, CENTRAL AMERICA, AND THE PHILIPPINES. TODAY, THE CENTERS WORK PRIMARILY THROUGH STATE AND LOCAL HEALTH AUTHORITIES TO CARRY OUT CHILD IMMUNIZATIONS, TO CONTROL SEXUALLY TRANSMITTED DISEASES, AND TO PROVIDE THE EPIDEMIOLOGICAL EXPERTISE TO UNRAVEL THE MYSTERIES OF LEGIONNAIRE'S DISEASE, TOXIC SHOCK SYNDROME, AND THE LATEST STRAIN OF INFLUENZA.

C.D.C. PERSONNEL ARE NOT ONLY ON TEMPORARY DUTY WITH STATE HEALTH AGENCIES, BUT ARE ALSO ON DUTY OVERSEAS SCREENING SOUTHEAST ASIAN REFUGEES, SOLVING SPAIN'S OLIVE OIL SCARE, OR HELPING THE W.H.O. PLAN ITS "EXTENDED CHILD IMMUNIZATION PROGRAMME."

THE C.D.C. ANNUAL BUDGET IS JUST UNDER A QUARTER OF A BILLION DOLLARS...$217 MILLION IS PROPOSED FOR FISCAL '83, TO BE EXACT.

THE PROPOSED F.D.A. BUDGET FOR FISCAL '83 IS $356 MILLION -- NOT AN EXTRAORDINARY SUM, CONSIDERING THE MISSION OF THE F.D.A. IS TO REGULATE ABOUT $465 BILLION WORTH OF AMERICAN COMMERCE.

ON SEPTEMBER 1ST, WE COMBINED TWO AGENCIES, ONE CONCERNED MAINLY WITH SERVICE DELIVERY, THE OTHER WITH HEALTH MANPOWER AND FACILITIES. THE NEW AGENCY IS CALLED THE HEALTH RESOURCES AND SERVICES ADMINISTRATION, OR H.R.S.A. THE NEW AGENCY HAS THE FOLLOWING FOUR MAIN RESPONSIBILITIES:
* It ensures the continued delivery of comprehensive health services for American Indians and Alaskan Natives, which is a $613 million program this year.

* It is the focal point for federal support of health professions education. Since most supply estimates show "surpluses" of many medical specialties for the rest of this century, this particular activity has been appreciably slowed down, from $231 million in 1981, for example, to a proposed level of $117 million in fiscal '83.

* H.R.S.A. also consolidates three other programs now running at considerably reduced levels: health planning, construction of health facilities, and support for health maintenance organizations. Federal support for H.M.O.s is diminished only in dollars, but that is balanced by the private sector's greater interest and more aggressive funding.

* Finally, the new agency assures the availability of health services to medically underserved areas and to special populations, such as coal miners, migrant workers, and federal employees. The

THE PROPOSED BUDGET FOR THE NEW COMBINED HEALTH RESOURCES AND SERVICES ADMINISTRATION AS OF OCTOBER 1ST WOULD BE $2.4 BILLION, THE SECOND LARGEST SUM WITHIN THE P.H.S. TOTAL.

AND THAT LEADS ME TO THE AGENCY WITH THE LARGEST APPROPRIATION, THE NATIONAL INSTITUTES OF HEALTH. THE PROPOSED N.I.H. BUDGET FOR FISCAL 1983 WOULD BE $3.75 BILLION.

THE 11 INSTITUTES OF THE N.I.H. SUPPORT ABOUT 15,000 EXTRAMURAL RESEARCH PROJECTS AT ANY ONE TIME. N.I.H. ALSO SUPPORTS ABOUT 2,000 INTRAMURAL PROJECTS EACH YEAR. SINCE 1937, WHEN THE NATIONAL CANCER INSTITUTE WAS ESTABLISHED, SO N.I.H. GRANTEES HAVE BECOME NOBEL LAUREATES IN MEDICINE, PHYSICS, AND CHEMISTRY, OR ABOUT 1 OUT OF 5 IN THOSE PRIZE CATEGORIES DURING THAT PERIOD.

THE O.A.S.H. BUDGET IN FISCAL 1983 IS PROJECTED TO BE $700 MILLION. BUT OVER $500 MILLION OF THAT REPRESENTS THE FUNDING OF TWO BLOCK GRANTS. AND THAT LEADS US TO SOME COMMENTS ABOUT THE FUTURE.

FUNDED THE FIRST THREE FOR THIS FISCAL YEAR. THE FOURTH BLOCK GRANT
-- FOR PRIMARY HEALTH CARE SERVICES -- GOES INTO EFFECT ON OCTOBER 1.
THE ADMINISTRATION HAS SUBMITTED CERTAIN REVISIONS FOR THIS BLOCK, BUT
THE CONGRESS HAS NOT YET ACTED ON THEM.

THE BLOCK GRANTS -- AND THE PHILOSOPHY OF GOVERNMENT BEHIND THEM
P.H.S. DURING THE PAST 15 TO 20 YEARS HAS BEEN PRIMARILY THE RESULT OF
NEW AND EXPANDING CATEGORICAL GRANT PROGRAMS. AT THE TIME PRESIDENT
REAGAN WAS INAUGURATED, IN JANUARY 1981, THE EXECUTIVE BRANCH WAS
FUNDING AND OPERATING 534 CATEGORICAL GRANT-IN-AID PROGRAMS. ONE-
SEVENTH OF THOSE -- 74, TO BE EXACT -- WERE IN P.H.S. THE ADMINISTRA-
TION SAID THAT IT WAS TIME FOR THE FEDERAL GOVERNMENT TO GET OUT OF
THE BUSINESS OF MANAGING THE DELIVERY OF HEALTH SERVICES, EITHER
DIRECTLY OR BY PROXY THROUGH GRANTEES AND CONTRACTORS. IT HAS BEEN
TOO COSTLY, TOO UNWIELDY, AND NOT AS EFFECTIVE AS ADVERTISED. HANDING
OVER THOSE FEDERAL PROGRAMS TO STATE AND TERRITORIAL HEALTH AUTHORITIES
SEEMED TO BE PREFERABLE. BUNDLING THEM INTO BLOCKS, WITH AS FEW
STRINGS AS POSSIBLE, WAS TO BE THE METHOD.
AND P.H.S. HAS HAD ENOUGH EXPERIENCE WITH THIS NOTION TO MAKE US OPTIMISTIC. FOR EXAMPLE, NEARLY ALL OF C.D.C.'S SERVICE PROGRAMS ARE ADMINISTERED THROUGH STATES. THAT RELATIONSHIP INVOLVES IMMUNIZATION, FLUORIDATION, DATA COLLECTION, RAT CONTROL, AND SIMILAR PROGRAMS. THE RECORD ON THESE AND OTHER PROGRAMS IS VERY IMPRESSIVE.

THE RESULT OF THE BLOCK GRANT APPROACH IS A NEW DIVISION OF LABOR WITHIN P.H.S. ONE TASK IS SIMPLY TO ADMINISTER THE FISCAL ARRANGEMENTS FOR THE BLOCKS. THAT CAN BE DONE WITH A RELATIVELY SMALL STAFF AT THE ASSISTANT SECRETARY'S LEVEL. THE OTHER TASK IS TO PROVIDE THE STATES WITH ANY TECHNICAL ASSISTANCE THEY MIGHT NEED OR IN OTHER WAYS BE HELPFUL TO STATE PROGRAM PEOPLE AT THEIR REQUEST. FOR EXAMPLE, WE CAN DETAIL A COMMISSIONED OFFICER TO A STATE HEALTH AGENCY, CONTINUE HIS OR HER BASIC PAY AND BENEFITS, AND THE HOST STATE TAKES CARE OF INCIDENTAL EXPENSES.

THE PRESIDENT HOPES THAT THE BLOCK GRANT APPROACH, IN ADDITION TO BREATHING NEW LIFE INTO AMERICAN FEDERALISM, WILL ALSO TEND TO REDUCE THE GROWTH RATE OF FEDERAL HEALTH FUNDING. THIS IS ONE OF THE FASTEST GROWING LINE ITEMS IN THE FEDERAL BUDGET. IN 1965, A BENCHMARK LEGISLATIVE YEAR, FEDERAL SPENDING FOR HEALTH TOTALED $5 BILLION. THAT WOULD INCLUDE THE V.A. AND THE NATIONAL SCIENCE FOUNDATION, FOR
EXAMPLE, AS WELL AS THE P.H.S. BY 1980 THE TOTAL HAD RISEN TO $71 BILLION -- A 14-FOLD INCREASE. OBVIOUSLY, IF THE PRESIDENT IS LOOKING FOR SO-CALLED "TARGETS OF OPPORTUNITY" FOR COOLING DOWN THE FEDERAL BUDGET, WHAT BETTER PLACE TO START THAN THE PUBLIC HEALTH BUDGET.

BUT EVEN THAT IS AN OVERSIMPLIFICATION. WHILE SOME HEALTH AGENCIES MAY ENDURE LOWERED APPROPRIATIONS, SOME PUBLIC HEALTH FUNCTIONS WILL REQUIRE -- AND RECEIVE -- MORE MONEY. THIS IS SEEN MOST CLEARLY IN THE RESEARCH AREA.

WHEN THE PRESIDENT GAVE HIS "STATE OF THE UNION" ADDRESS LAST JANUARY, HE SPECIFICALLY NOTED THAT "RESEARCH AT THE NATIONAL INSTITUTES OF HEALTH WILL BE INCREASED BY OVER $100 MILLION." THE SUBSEQUENT BUDGET PROPOSALS FOR FISCAL 1983 ACTUALLY SHOW A $103 MILLION INCREASE FOR THE BIOMEDICAL RESEARCH SUPPORTED BY N.I.H. AND A $27 MILLION INCREASE FOR THE PREDOMINANTLY BEHAVIORAL RESEARCH SUPPORTED BY A.D.A.M.H.A.

AND HAVING THAT INFORMATION, YOU MAY BEGIN TO SEE WHAT THE WORLD OF P.H.S. WILL PROBABLY LOOK LIKE OVER THE NEXT FIVE YEARS. LET ME OUTLINE THEM FOR YOU NOW:
1. WE WILL BE RETURNING TO WHAT HAD BEEN OUR TRADITIONAL ROLE AS A PARTNER...AN EQUAL AMONG Equals...WITH COLLEAGUES IN HEALTH AND MEDICAL CARE AT OTHER LEVELS OF GOVERNMENT AND IN PRIVATE NON-PROFIT AND FOR-PROFIT ORGANIZATIONS. MORE INITIATIVES FOR IMPROVED HEALTH AND MEDICAL CARE WILL ORIGINATE AMONG THOSE GROUPS THAN MAY HAVE BEEN THE CASE IN THE RECENT PAST. THE OPPORTUNITIES WILL BE THERE, SINCE THE FEDERAL ROLE AS PRINCIPAL SOURCE OF FUNDS IS BEING REDUCED, BROUGHT BACK DOWN TO A MORE REASONABLE SCALE. FEDERAL EXPERTISE WILL RESIDE MORE IN SUBSTANCE, IN THE ABILITY TO NEGOTIATE AMONG COMPETING INTERESTS ON THE PUBLIC'S BEHALF, AND IN THE STEWARDSHIP OF THE NATIONAL HEALTH AGENDA.

3. THE GREAT STRUCTURE BUILT TO CARRY OUT THE DELIVERY OF HEALTH SERVICES WAS PREDICATED ON MEDICAL PRACTICE THAT WAS ESSENTIALLY CURATIVE AND REPARATIVE. IT WAS ESSENTIALLY POST-FACTO MEDICINE. ONE OF THE THINGS WE'VE LEARNED FROM RESEARCH AND EXPERIENCE, HOWEVER, IS THAT THE MOST EFFECTIVE TOOL WE HAVE TO IMPROVE HEALTH STATUS IS PREVENTION, COMBINED WITH HEALTH PROMOTION. THERE WOULD NEVER HAVE BEEN ENOUGH MONEY IN THE WORLD TO TAKE CARE OF HEART DISEASE AND CANCER VICTIMS -- IF THERE HAD BEEN NO CAMPAIGN TO GET PEOPLE TO QUIT SMOKING. WE WOULD NEVER HAVE BEEN ABLE TO CARE FOR THE CHILDREN AND ADULTS, STRUCK DOWN BY POLIO, DIPHTHERIA, MEASLES, AND TYPHUS, HAD THERE BEEN NO PROGRAM OF MASS CHILDHOOD IMMUNIZATION. THE LOGIC OF THIS IS SO OVERWHELMING THAT THE PREVENTION OF DISEASE AND DISABILITY AND THE PROMOTION OF GOOD HEALTH AND WELL-BEING ARE NOW THE KEystONES OF NATIONAL HEALTH POLICY. ONE OF THE MOST EXCITING DEVELOPMENTS IN THE YEARS AHEAD, THEREFORE, WILL BE THE MATURING OF THIS CONCEPT AS A FUNDAMENTAL TENET OF AMERICAN PUBLIC HEALTH POLICY AND PRACTICE. AND CONTRIBUTING TO THIS PROCESS WILL BE AN IMPORTANT FUNCTION OF THE FEDERAL HEALTH ENTERPRISE, WHETHER FROM ITS RESEARCH OR ITS PUBLIC EDUCATION ELEMENTS.
I HOPE THIS BRIEF OVERVIEW OF WHERE WE ARE AND WHERE WE TEND TO BE MOVING HAS HELPED YOU GET SOME ADDITIONAL PERSPECTIVE ON THE U.S. PUBLIC HEALTH SERVICE. WE'VE COME A VERY LONG WAY OVER THE PAST 184 YEARS. WE ANTICIPATE A FRUITFUL JOURNEY FOR THE NEXT 184.

THANK YOU.