



COMMITTEE ON THE BUDGET

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A Visit to the Doctor's Office: How the U.S. Government Keeps Americans Safe and Healthy

Every year, millions of Americans go to the doctor's office for an annual check-up, a lab test, a diagnosis for an illness or injury, a prescription refill, or a referral to a specialist. This routine appointment would be a fundamentally different experience without the federal government's efforts to promote the health and well-being of all Americans. In nearly every aspect of your office visit, the federal government plays a role in making sure your appointment is safe and affordable.



After medical school, physicians in the United States are required to complete a **residency** before they can practice independently. The federal government provides most of the funding for this key component of training. For example, Medicare funding supports residents' salaries and reimburses hospitals for indirect costs associated with these training programs. In addition, federal Medicaid dollars can match some of what states contribute to residency programs. In total, Medicare and Medicaid [spending](#) for graduate medical education

exceeded \$15 billion in 2018.

The Department of Veterans Affairs (VA) participates in [medical training](#) at all levels – from medical students to residents to fellows – to ensure that there are enough providers for our nation's health care system in general and specifically for the VA's health system. The VA [spent](#) \$1.8 billion on graduate medical education in 2017.

While most of the federal funding for health workforce development goes toward [graduate medical education](#), the federal government also **subsidizes the training of other providers**. Grants, scholarships, and loan repayment programs are available for many different types of providers, ranging from the nurse who may take your vitals to the sub-specialist physician that may diagnose a complex condition. These workforce programs often aim to increase the number of providers serving in rural or underserved areas, diversify the workforce, or encourage providers to practice primary care. Federal [funding](#) for these workforce programs totaled nearly \$1.6 billion in 2019

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RESEARCH & INNOVATION

If you need a prescription drug or other form of treatment, the federal government probably funded the research that made that discovery possible and evaluates the drug to make sure it is safe and effective.

The National Institutes of Health (NIH) [invests](#) billions of dollars each year in **discoveries that keep Americans healthier and save lives**. For example, NIH-supported researchers have helped identify subtypes of breast cancer, leading to more effective, tailored treatments; helped understand the risk factors of heart disease, leading to new strategies for prevention; and made major strides in understanding hundreds of other diseases.

If your doctor gives you a **prescription for medication**, there is a very good chance that

federally funded research contributed to the discovery of that drug. In fact, NIH-funded research [contributed](#) to every new drug approved by the Food and Drug Administration (FDA) during the 2010-2016 period. This NIH work involved more than 200,000 years of federally-funded researcher time and grant funding totaling more than \$100 billion.

After a drug is developed, the FDA is responsible for **evaluating it to make sure it is safe and effective** for its intended use. But the FDA is responsible for much more than approving prescription drugs: from the blood pressure cuff used to take your vitals to the tetanus vaccine ordered by your doctor to the multivitamin you took that morning, the FDA evaluates many kinds of medical devices, supplements, and medications. After the initial approval, the FDA also monitors products that are currently on the market to track any adverse events that may be reported and ensure they continue to be safe.

Federally funded research has led to the discovery and development of countless new treatments, and this can provide patients and providers with many options to consider—but sometimes the choices can be complex and confusing. **Comparative clinical effectiveness research** helps providers and patients determine which treatment option is best. The federal government funds this type of research through entities such as the Patient-Centered Outcomes Research Institute.



PAYING FOR CARE

The federal government is probably subsidizing your bill, at least in part.

Before or after your appointment, you may be asked to present an insurance card or other form of payment. Nearly [40 percent of Americans](#) are covered by a **public health insurance plan**, which is funded and/or directly administered by the federal government. For example, [61 million](#) Americans are enrolled in **Medicare**, which pays for health care for seniors and people with disabilities. Even private Medicare plans, known as Medicare Advantage plans, are funded largely by the federal government.

In addition, [75 million](#) Americans are enrolled in **Medicaid**. Each state runs its own Medicaid program, and the costs are shared with the federal government based on a formula that varies by state. On average, the federal government pays almost 60 percent of Medicaid costs. Another example of health care financed by the federal government is the **Veterans Health Administration**, which provides comprehensive medical services to eligible veterans through a network of providers and facilities across the country.

[Just over half](#) of Americans have **health insurance through their employer**. While you might think that the costs of private insurance are shared by the employee and their employer, the federal government subsidizes this type of coverage, too. In general, employers' and workers' contributions to health insurance premiums are exempt from income and payroll taxes. The estimated federal cost of this subsidy – the foregone tax revenue that the government would have collected if the tax exclusion didn't exist – is [\\$283 billion](#) for 2019. In addition to subsidizing employer-sponsored insurance, federal laws establish minimum standards for private insurance plans, ensuring that pre-existing conditions can be covered and that plans include key benefits.

Even the nearly one in ten Americans who are **uninsured** may receive some health care subsidized by the federal government. Community health centers, which primarily see low-income and uninsured patients, received \$5.6 billion in federal funding this year. The federal government also makes payments to hospitals that treat a disproportionate number of uninsured patients to help offset some of those unreimbursed costs. These investments help ensure millions of Americans can access health care who would not otherwise be able to afford it.



INVESTMENTS IN PUBLIC HEALTH

Public health can prevent you from getting sick.

Federal investments in public health are often not easy to see, because they stop many health problems before they start – thus preventing you from having to go to the doctor’s office in the first place. When you drink a glass of clean water from the tap, step outside and breathe air that does not contain pollutants, or eat a meal at a restaurant that is free of salmonella, you do so because of public health regulations enforced by federal, state, and local governments. Federally funded epidemiologists at the Centers for Disease Control and Prevention constantly monitor disease outbreaks across the globe to protect us from new and emerging diseases

and pandemics.

Vaccines – one of the greatest life-saving advances of all time – are often purchased by the government, particularly for children. It is [estimated](#) that for children born during the 1994-2013 period, vaccination will prevent 322 million illnesses, 21 million hospitalizations, and 732,000 deaths during their lifetimes.

In sum, these public health “wins” usually happen behind-the-scenes. You may never read about them in the newspaper, but they have saved millions of lives and prevented countless visits to doctor’s offices. The federal government’s role in health care is similarly invisible to most of us, but it plays a critical part in keeping American families healthy and safe.