



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

April 8, 2011

H.R. 1217
A bill to repeal the Prevention and Public Health Fund
As ordered reported by the House Committee on Energy and Commerce on April 5, 2011

SUMMARY

H.R. 1217 would repeal a fund established by the Patient Protection and Affordable Care Act (PPACA), the Prevention and Public Health Fund, which provides grant assistance to entities to carry out prevention, wellness, and public health activities. The bill also would rescind any unobligated balances appropriated to the fund.

CBO estimates that enacting the legislation would decrease direct spending by more than \$6 billion over the 2012-2016 period and by \$16 billion over the 2012-2021 period. Pay-as-you-go procedures apply because enacting the legislation would affect direct spending.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1217 is shown in the following table. The costs of this legislation fall within budget function 550 (health).

	By Fiscal Year, in Billions of Dollars										2012-	2012-	
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2016	2021	
CHANGES IN DIRECT SPENDING													
Budget Authority	-1.0	-1.3	-1.5	-2.0	-2.0	-2.0	-2.0	-2.0	-2.0	-2.0	-2.0	-7.8	-17.8
Estimated Outlays	-0.4	-0.9	-1.3	-1.6	-1.9	-2.0	-2.0	-2.0	-2.0	-2.0	-2.0	-6.1	-16.0

Note: Numbers may not sum to totals because of rounding.

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted by the end of September 2011.¹ As established by PPACA, the Prevention and Public Health Fund provides grant funds to federal agencies to award to public and private entities to carry out prevention, wellness, and public health activities. The Act provided annual funding of \$750 million in 2011 rising to \$2.0 billion per year by 2015. CBO estimates that H.R. 1217 would prevent the Department of Health and Human Services from obligating any unobligated funds appropriated to the Prevention and Public Health Fund. CBO expects that all of the appropriated funds for fiscal year 2011 will be obligated by the time H.R. 1217 would be enacted. As a result, CBO estimates that enacting H.R. 1217 would reduce direct spending by \$6.1 billion over the 2012-2016 period and by \$16 billion over the 2012-2021 period.

PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table. Enacting H.R. 1217 would have no impact on federal revenues.

CBO Estimate of Pay-As-You-Go Effects for H.R. 1217, as ordered reported by the House Committee on Energy and Commerce on April 5, 2011

	By Fiscal Year, in Billions of Dollars											2011-	2011-
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2016	2021
NET DECREASE (-) IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	-0.4	-0.9	-1.3	-1.6	-1.9	-2.0	-2.0	-2.0	-2.0	-2.0	-6.1	-16.0

Note: Numbers may not sum to totals because of rounding.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1217 contains no intergovernmental or private-sector mandates as defined in UMRA. By rescinding funding amounts made available by the Prevention and Public Health Fund, the bill would decrease the amount of resources that state, local, and tribal governments receive to conduct prevention, wellness, and public health activities.

1. If the bill were to be enacted sooner than the end of fiscal year 2011, a larger unobligated balance may remain than is estimated here. In that case, the amount of budget authority that could be rescinded by this legislation would increase, resulting in a corresponding increase in savings.

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