

CMS and FDA Must Reorganize Agencies

Newly confirmed CMS Administrator Seema Verma and FDA chief-nominee Scott Gottlieb, if confirmed, face immediate orders from the White House to craft plans to reorganize their agencies to improve efficiency, shift functions to the states or local governments, and merge or shut down any functions for which costs aren't justified by public benefits or are redundant with work of other agencies. The White House ordered federal agencies to send reorganization plans in 180 days to the Office of Management and Budget (OMB), which will use them to craft a master plan to reorganize the federal government and scrap unnecessary agencies and functions.

HHS Secretary Tom Price has already taken steps to increase states' oversight of health care by urging governors to submit 1332 state innovation waivers,

coming as congressional Republicans work with the White House to turn Medicaid into a per-capita grant program.

The executive order also directs the OMB chief to gather public comment for further suggestions. The director is ordered to give the president a plan 180 days after OMB receives agency plans.

"The proposed plan shall include, as appropriate, recommendations to eliminate unnecessary agencies, components of agencies, and agency programs, and to merge functions. The proposed plan shall include recommendations for any legislation or administrative measures necessary to achieve the proposed reorganization," the executive order states.