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BY ELECTRONIC MAIL: jonesw@nigms.nih.gov

Dr. Warren C. Jones
National Institute of General Medical Sciences
National Institutes of Health
Bethesda, MD 20892-6200

RE: NIH Town Hall Meeting on Ruth L. Kirschstein National Research Service Award (NRSA) Tuition, Fees and Health Insurance Policies, NOT-OD-06-003

Dear Dr. Jones:

I am writing to request that the Association of American Medical Colleges (AAMC) be scheduled to comment at the proposed Town Hall Meeting on November 30 concerning changes to and discussion of NRSA tuition, fees and health insurance policies. The AAMC is a non-profit organization representing all 126 accredited U.S. medical schools, nearly 400 major teaching hospitals and health systems, and 94 academic and scientific societies. Many of our member institutions manage and provide support for sizeable NRSA training programs. The AAMC also supports a number of professional development groups for our institutional leaders, including the Group on Graduate Research, Education and Training (GREAT), which provides a national forum for the exchange of information and ideas related to biomedical graduate education and training, and whose members include faculty and academic administrative leaders of Ph.D., M.D.-Ph.D., and postdoctoral programs in academic medical institutions.

The AAMC is grateful for the opportunity to comment on the proposals and general situation outlined in the notice, and appreciates NIH's efforts to involve the academic community in this important discussion. It is critical that the Town Hall discussion involve institutional leadership as well as program directors, staff, and trainees, because changes in such policies can have far reaching repercussions for many institutions.

We recognize that the current budget situation and prospects for the coming (perhaps several) years require NRSA program staff to assume that necessary resources will not be available for reasonable growth in the program, and possibly not even sufficient to sustain levels of current services, and that NIH must plan its options accordingly. We also acknowledge that most training program directors and faculty, including many members of the GREAT Group who commented to us, are sympathetic to the goal of attempting to sustain current levels of NSRA

positions as the first priority by further capping, freezing, or even rolling back outlays for other expenditures, such as tuition, fees, and health insurance.

However, the AAMC keenly recalls the wave of cost-shifting maneuvers imposed on academic institutions by NIH, OMB and the Congress in the late 1980s and early 1990s, maneuvers that largely were not redressed during the NIH doubling period. Further, AAMC recognizes that constrained NIH funding is likely to be with us for several years or more, and that the proposed changes in the NRSA program may be only the first of other such actions to follow. AAMC is also cognizant of the substantial financial outlays made, and risks incurred, by medical schools and teaching hospitals in response both to the remarkable progress and increasing complexity of biomedical research and the buoyant expectations raised by the doubling of the NIH budget. In considering possible recommendations to the NIH to address this situation, we formulated a group of principles that we believe are important to attain.

1. In an era of unprecedented scientific opportunity, it is important to sustain the pipeline of biomedical scientists and preserve as many NSRA positions as possible.
2. Stipend levels for trainees, hard won in recent years, as well as health insurance, must be protected.
3. Individual institutions should have the option of determining whether increasing financial shortfalls in tuition and fees should be addressed by institutional funds or by a reduction in positions, and not have this decision imposed on them by the NIH.
4. Public and private institutions should be treated impartially.

The NIH notice proposes three possible options, all of which fail to encompass one or more of the above principles. Options one and two, which propose either imposing a ceiling on tuition and fees or establishing a fixed amount for tuition and fees, do not treat public and private institutions impartially because most private institutions have higher tuitions than do publics (at least for their in-state students). These two options also deprive institutions of choice. Option 3, which would not alter the current funding formula for tuition and fees, would necessarily result in a loss of total positions to the NRSA program. How that loss would be allocated to awardees is unspecified, although there are options, e.g., higher pay lines vs. across the board reductions of positions.

There are two other options that we propose should be on the table. First, of course, since the institutes determine their own internal funding allocations, these shortfalls could be addressed by funds from elsewhere in the NIH budget. We suggest that the scientific community might well favor preserving NSRA slots over some other institute initiatives.

The second option, if the first proves infeasible, would be a modification of option 3, namely to retain the current tuition formula without modification, and address the shortfall each year not by raising the funding line and automatically losing positions, but by cutting **all competing** training grants for that year by the same percentage. Each grantee would then have the **option** of: (1) Retaining all approved positions for the life of the grant if the awardee entity opts to cover the

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tuition and fees shortfall not provided by NIH, or (2) Agreeing to give back a position(s) but having the remaining slots funded under the current tuition formula without cuts.

This proposal has a number of advantages. First, it spreads the shortfall across all institutions and is equivalent to across-the-board cuts in the R01 pool that have frequently been chosen by institutes in tight budget years rather than funding fewer grants. Second, it leaves to the grantee entity the option of reducing the size of its training program or finding the institutional funds needed to cover the tuition and fees shortfall. By spreading the shortfall of funds across all awardees rather than raising paylines, this approach would in fact work to retain total NRSA positions. Third, it would treat all institutions equally, would preserve stipends, and would only affect competing grants each year. Grants during non-competing years would be unaffected.

As a final comment, we note that health insurance costs are included in the budget category under review, and those costs continue to increase significantly. We suggest that NIH and the university community examine the mutual consequences of transferring health insurance costs into the institution's campus-wide fringe benefit pool. Such a transfer would dilute these trainee costs and help to reduce the pressure on the tuition, fees, and health insurance pool.

We request the opportunity to present and defend our views at the Town Hall meeting on November 30.

Sincerely,



Jordan J. Cohen, M.D.
President

cc: Elias Zerhouni, M.D.
Norka Ruiz Bravo, Ph.D.
Ruth Kirschstein, M.D.
Walter L. Goldschmidts, Ph.D.