

Insights on Federal Funding and the National Institutes of Health



Learn

Serve

Lead

Tannaz Rasouli

Senior Director, Public Policy & Strategic Outreach

Christa Wagner, PhD

Senior Legislative Analyst

GREAT / GRAND Community Forum

August 11, 2020



Association of
American Medical Colleges

Get Involved with GREAT and GRAND

Know someone not currently in GREAT or GRAND who might benefit from these conversations and networking? Tell them to email GREAT@aamc.org or GRAND@aamc.org and ask to join the group.

GREAT and GRAND monthly community calls bring group members together to discuss how their institutions are responding to the coronavirus.

- MD-PhD Section Forum – August 19, 12 pm ET
- GREAT Community Call – August 25, 2020, 1 pm ET

To be invited, email Sr. Administrative Associate Emily Outtarac at eouttarac@aamc.org.

Save the date: Community Forum on Addressing Sexual Harassment in Academic Medicine – October 28, 3 pm ET

Insights on Federal Funding and the NIH



Tannaz Rasouli, MPH

AAMC

Senior Director of Public Policy and
Strategic Outreach

trasouli@aamc.org



Christa Wagner, PhD

AAMC

Senior Legislative Analyst

chwagner@aamc.org

Overview

No Shortage of Advocacy Issues for Academic Medicine

NIH Medicare Medicaid Immigration Physician payment MACRA ACA
Quality measurement Value-based reimbursement Risk adjustment Inpatient
payment Outpatient payment 340B DACA Drug pricing Safety net issues
Funding for Title VII & VIII Common Rule AHRQ funding CMMI funding PCORI
funding VA research funding National Health Services Corps Higher Education
Act J-1 and H-1B visas VA contracting Student financial aid FDA regulation
CDC Response to public health crises – opioids, Ebola, Zika Narrow networks
Health inequities Mental health coverage LDTs Graduate Medical Education

AAMC Leadership Continues to Engage Policymakers

“Beyond the White Coat” Podcast Interviews this Spring



NIH Director Collins



Rep. Shalala (FL)



Sen. Blunt (MO)



AAMC President
David J. Skorton, MD

AAMC Advocacy: The Value of NIH-Funded Research at Medical Schools and Teaching Hospitals

DISEASE IS COSTLY

≈\$**458**
BILLION

Cost of new cancer cases worldwide by 2030.¹



\$1+
TRILLION

Cost of cardiovascular disease in the U.S. by 2035.³



\$1+
TRILLION

Cost of care for Alzheimer's disease in the U.S. by 2050.⁵



RESEARCH PROVIDES HOPE

Lives saved by cancer research since 1991.²



2.4+
MILLION

Decrease in deaths from heart disease 1969-2015.⁴



68%

Drugs to treat Alzheimer's disease now in clinical trials.⁶



90+

SOURCES:

1. American Association for Cancer Research. AACR Cancer Progress Report. cancerprogressreport.org/Pages/cpr17-cancer-in-2017.aspx. Accessed Sept. 5, 2018.
2. Siegel RL et al. Cancer statistics, 2018. *CA Cancer J Clin*. 2018;68(1):7-30.
3. American Heart Association. Cardiovascular disease costs will exceed \$1 trillion by 2035, warns the American Heart Association. 2017;Feb. 14. <https://healthmetrics.heart.org/cardiovascular-disease-costs-will-exceed-1-trillion-by-2035-warns-the-american-heart-association>. Accessed Nov. 5, 2018.

4. Weir HK et al. Heart disease and cancer deaths — trends and projections in the United States, 1969-2020. *Prev Chronic Dis*. 2016;13:160211.
5. Alzheimer's Association. New Alzheimer's Association report reveals sharp increases in Alzheimer's prevalence, deaths, and costs of care. 2018;May 30. https://www.alz.org/news/2018/new_alzheimer_s_association_report_reveals_sharp_i. Accessed Nov. 5, 2018.
6. National Institute on Aging. Alzheimer's Disease and Related Dementias. nia.nih.gov/health/alzheimers/dementia-research-and-clinical-trials. Accessed Sept. 20, 2018.

The Appropriations Process

The Federal Budget

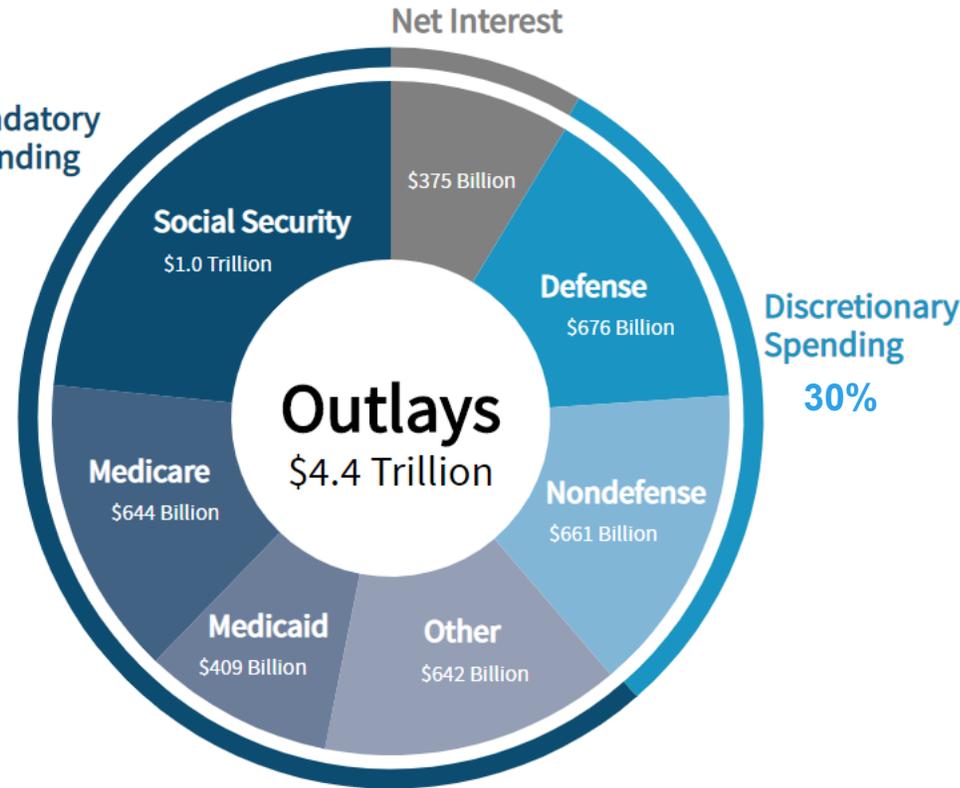
Mandatory spending

- Includes payments for programs like Medicare and Social Security
- Payments are required by prior legislation



Discretionary spending

- Budgets for cabinet departments and agencies (i.e. NIH)
- Appropriated annually during the budget process



FY 2019

The Budget: Appropriations and Authorizations

Appropriations bill

- Designates budget for federal agencies and programs
- Must be passed by:

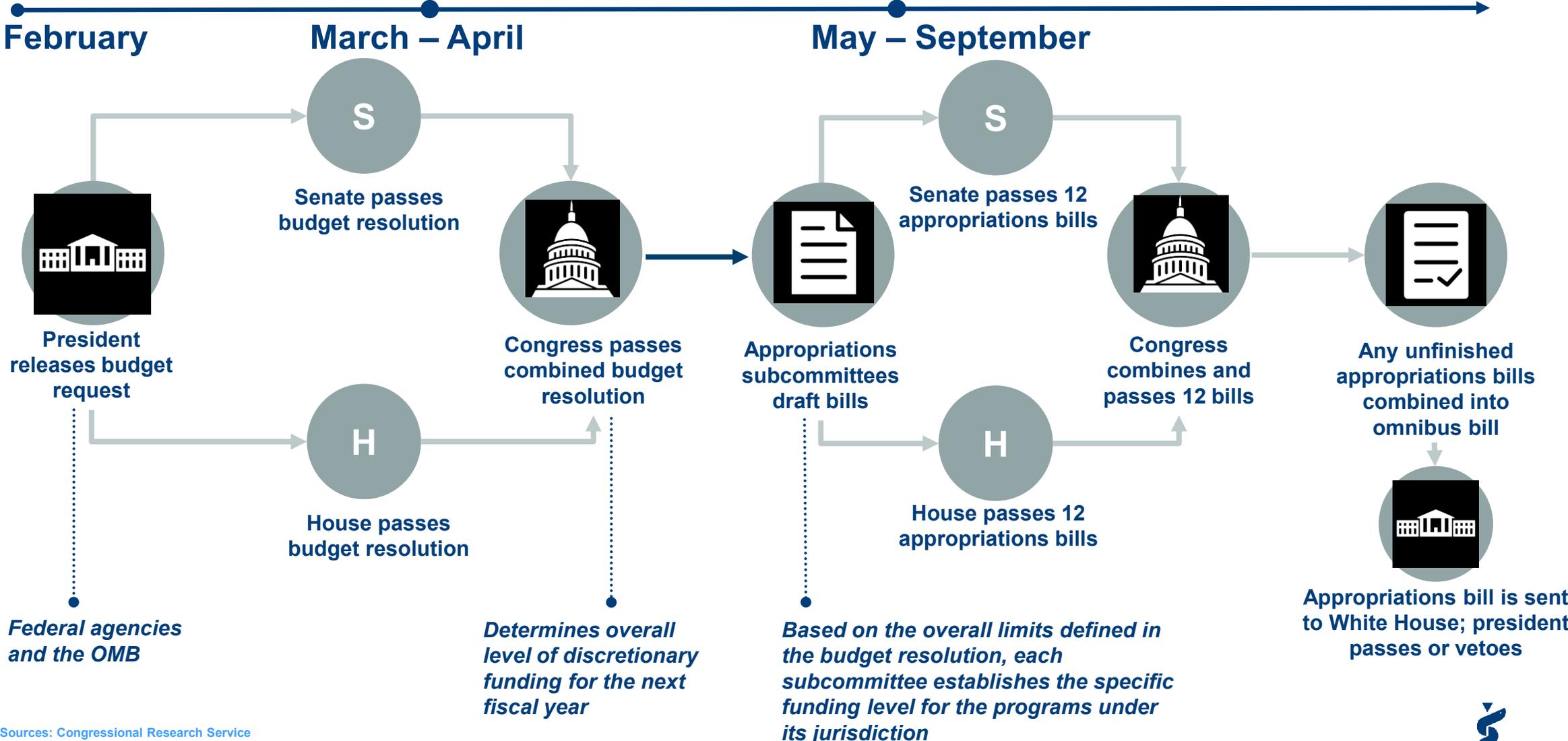


Authorization bill

- Gives the government legal authority to spend money
- Necessary for mandatory spending

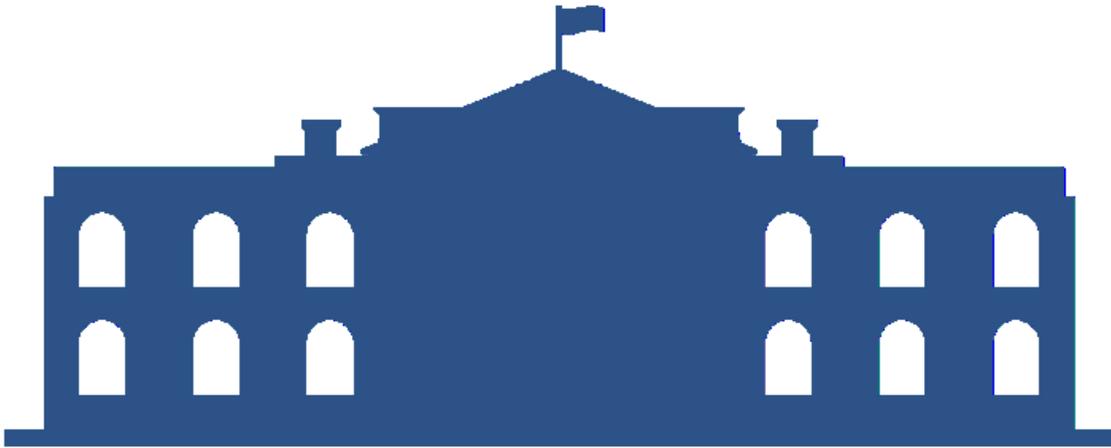


Overview: The Appropriations Process



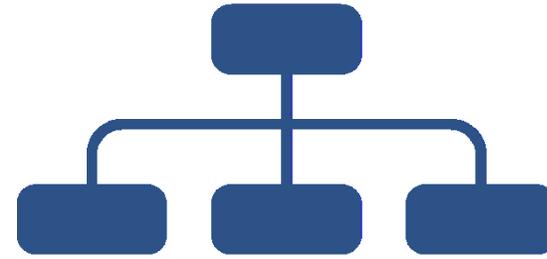
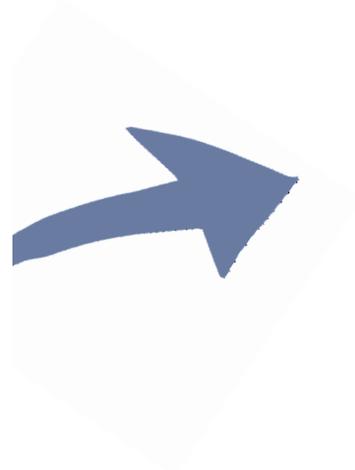
Sources: Congressional Research Service
Adapted from National Journal Presentation Center

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- **Administration kicks off the budget process**
 - **Budget developed beginning in September**
 - **OMB and Agencies help determine priorities**
- **February: President's Budget Request delivered**

Annual Appropriations Process



- **Congress agrees to overall discretionary spending level**
- **Appropriators divide overall discretionary spending among 12 subcommittees through “302(b) allocations”**

Discretionary Spending: 12 Appropriations Bills



**Agriculture, Rural
Development, FDA,
and Related Agencies**



**Commerce, Justice,
Science, and
Related Agencies**



Defense



**Energy and Water
Development**



**Financial Services
and General
Government**



Homeland Security



**Interior,
Environment, and
Related Agencies**



**Labor, HHS,
Education, and
Related Agencies**



Legislative Branch



**Military Construction,
VA, and Related
Agencies**



**State, Foreign
Operations, and
Related Programs**

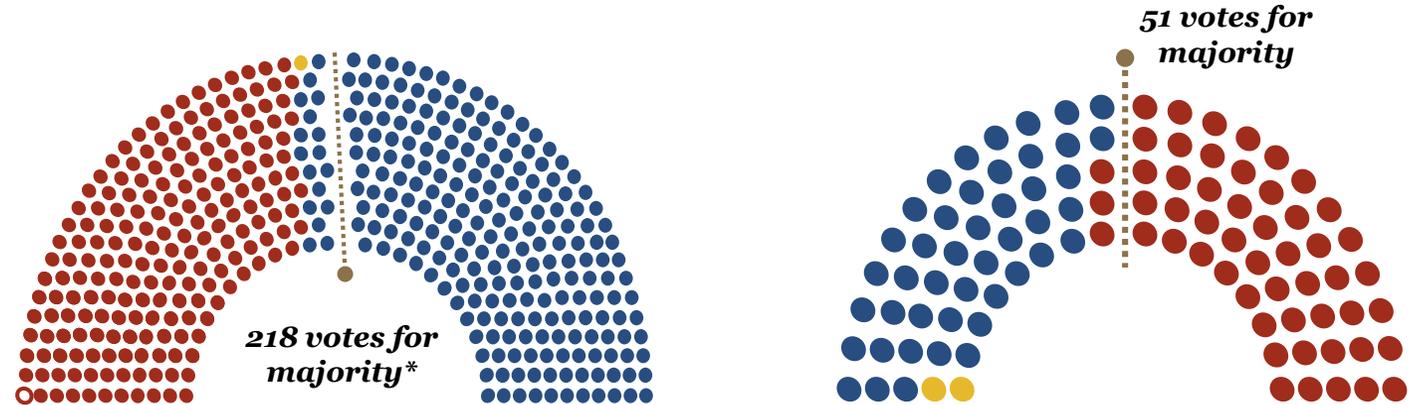


**Transportation,
HUD, and Related
Agencies**

Both Houses of Congress Must Pass Spending Bills

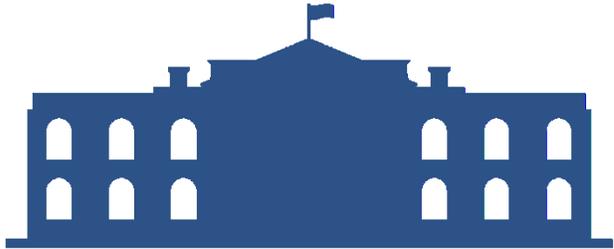


- The House and Senate must vote on the bills



- If the bills pass, the two versions must be reconciled in Conference Committee

Completed Bills Sent to the President



The president must sign the appropriations bills into law



If the bill is not signed into law by the start of the fiscal year, Congress must pass a continuing resolution or face a government shutdown

Omnibus and Minibus Spending Bills



A series of 'minibus' funding bills can be passed in place of 12 separate bills or one omnibus



A single **omnibus** funding bill can be passed in place of the 12 separate bills

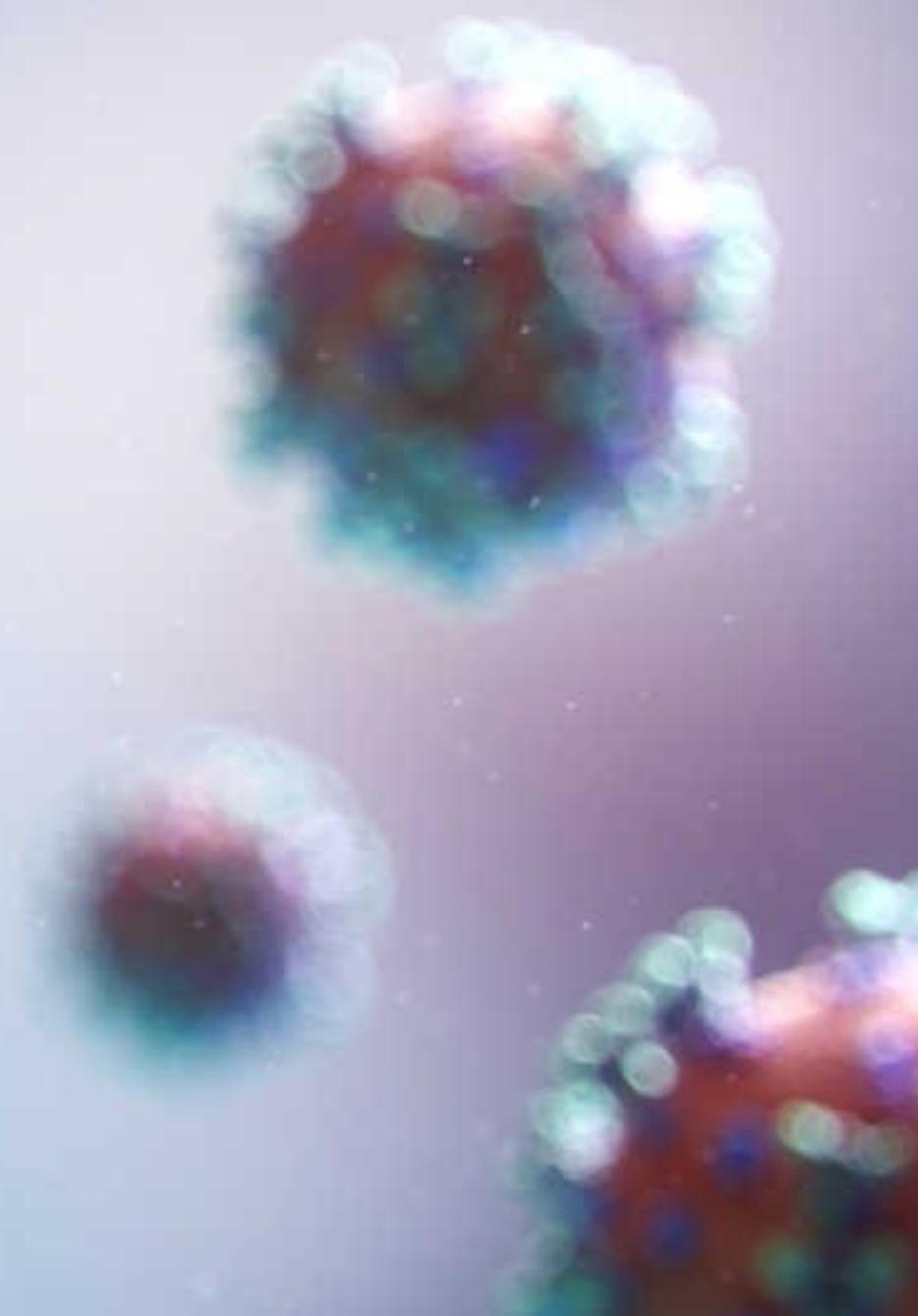
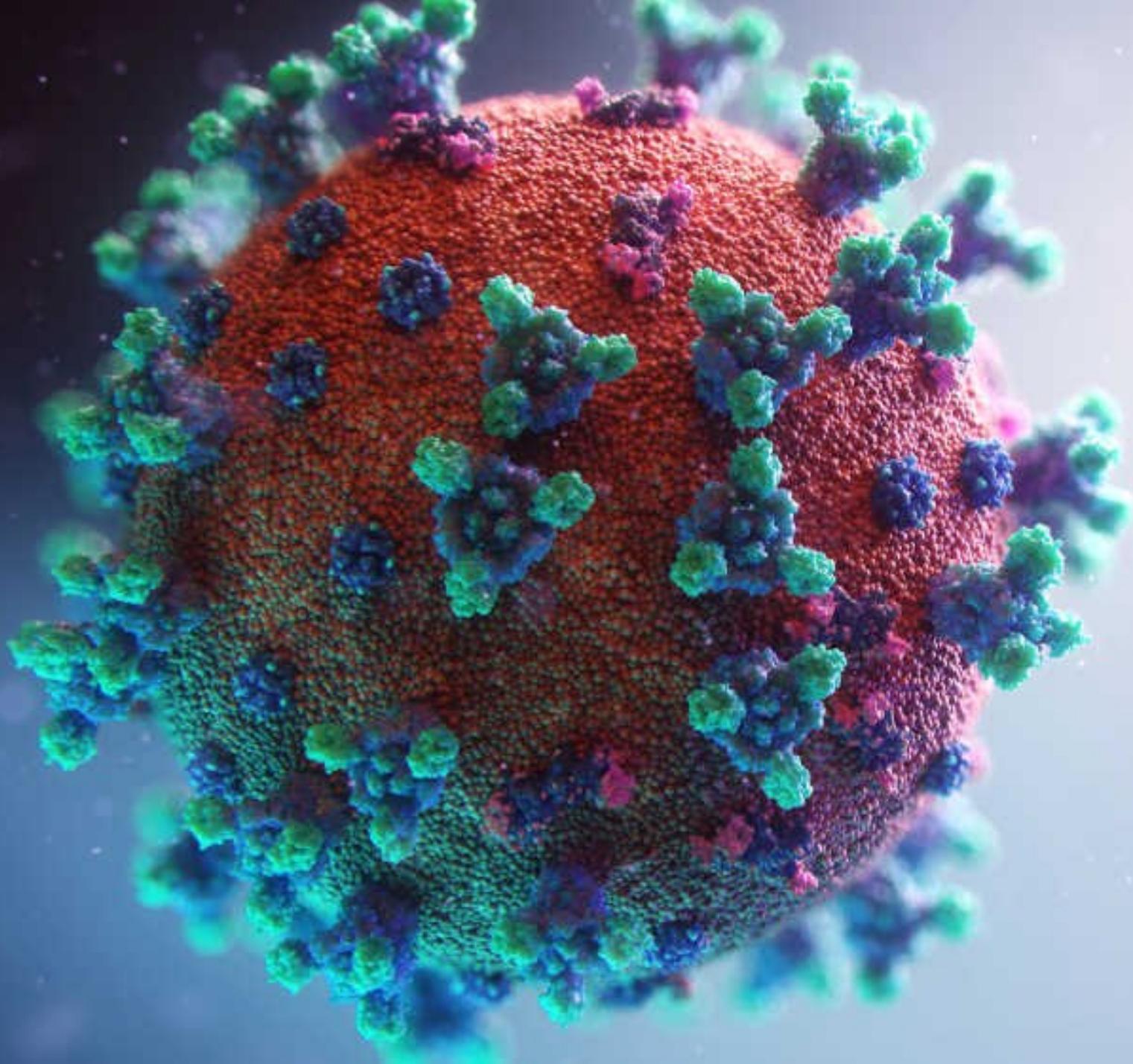
Current Status of Appropriations

Current State of Play: FY 2021 Funding for NIH

(\$ in millions)

	FY 2020 Final	FY 2021 House	\$ change vs FY 20	% change vs FY 20
NIH Total (pre-Innov. Account)	\$41,192	\$41,555	\$363	0.9%
** NIH Innovation Account	\$492	\$404	-\$88	-17.8%
* NIH Program Level	\$41,684	\$41,959	\$275	0.7%
Emergency Funds	--	\$5,000	--	--
***Total with Emergency Funds	--	\$46,959	--	--

* The FY 20 bill includes a one time transfer of \$225 million to NIH for buildings and facilities. **The 21st Century Cures Act (P.L. 114-254) established an “NIH Innovation Account” that allows appropriators to supplement NIH’s base appropriation in FYs 17 - 26 with additional funds for four targeted initiatives (precision medicine, Brain Research through Advancing Innovative Technologies, cancer research, and regenerative medicine). The final FY 20 bill (P.L. 116-94) provided the full \$492 million available to NIH, and the House-passed FY 21 bill (HR 7617) utilizes the full amounts available in FY 21. *** HR 7617, Title VI provides emergency funds to NIH available until Sept. 30, 2025.



Covid Relief Packages Have Totaled \$2.5 Trillion

In just 2 months, Congress enacted 4 stimulus packages:

- **Mar. 6: 1st Stimulus Package** **\$8.3 Billion**
- **Mar. 18: 2nd Stimulus Package** **\$2.4 Billion**
- **Mar. 27: 3rd Stimulus Package** **\$2.0 Trillion**
- **Apr. 24: 4th Stimulus Package** **\$484 Billion**

Total \$2.5 Trillion

Covid Relief Packages: Enacted Funds for NIH

(\$ in millions)

Institute/Center	P.L. 116-123 (Supp 1)	P.L. 116-136 (Supp 3)	P.L. 116-139 (Supp 4)	Total Enacted
OD		\$30	\$1,000	\$1,030
NIAID	\$826	\$706		\$1,532
NIEHS	** \$10			\$10
NHLBI		\$103		\$103
NCATS		\$36		\$36
NLM		\$10		\$10
NIBIB		\$60	\$500	\$560
NCI			\$306	\$306
Total Enacted	\$836*	\$945*	\$1,806	\$3,587

* Funding available through Sept. 30, 2024.

** Transferred to NIEHS from NIAID.

Additional Emergency Funding Needs for NIH

Ad Hoc Group for Medical Research
April 27, 2020
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NIH has
salaries



THE AD HOC GROUP FOR MEDICAL RESEARCH

April 27, 2020

The Honorable Mitch McConnell Majority Leader United States Senate S-226, United States Capitol Washington, DC 20510	The Honorable Nancy Pelosi Speaker United States House of Representatives H-232, United States Capitol Washington, DC 20515
The Honorable Charles Schumer Minority Leader United States Senate S-255, United States Capitol Washington, DC 20510	The Honorable Kevin McCarthy Minority Leader United States House of Representatives H-204, United States Capitol Washington, DC 20515

Dear Speaker Pelosi, House Minority Leader McCarthy, Senate Majority Leader McConnell, and Senate Minority Leader Schumer:

On behalf of the Ad Hoc Group for Medical Research, thank you for your continued efforts to respond to the Coronavirus Disease 2019 (COVID-19) outbreak caused by the SARS-CoV-2 virus, including support for the National Institutes of Health (NIH) provided through the supplemental appropriations bills enacted to date. As you consider additional legislation to promote the nation's physical, health, and economic resilience to this and future pandemics, we write to urge the inclusion of **\$31 billion in additional emergency supplemental investments in the NIH.**

The Ad Hoc Group for Medical Research is a coalition of over 330 patient and voluntary health groups, medical and scientific societies, academic and research organizations, and industry that support enhancing the federal investment in the biomedical, behavioral, and population-based research conducted and supported by the NIH.

We are grateful for Congress's ongoing commitment to NIH as a top national priority through the regular appropriations process. The extraordinary research currently underway to identify and develop potential COVID-19 vaccines, anti-virals, and other medical countermeasures is all built on the scientific foundation enabled by the federal investment in NIH. Additionally, the emergency supplemental resources provided to NIH in the recently enacted COVID-19 packages are playing an important role in identifying therapies and vaccines, as well as improving testing and diagnostic methods.

As the pandemic progresses and our understanding of it continues to evolve, the urgency to expand existing, and initiate new and responsive biomedical research has only increased. At the same time, the COVID-19 pandemic is imposing unique challenges on the biomedical research

- Additional covid-related research across NIH
- Relief to offset expenses associated with resuming pre-pandemic research
- Support for the research workforce pipeline
- Long-term investments to rebuild the biomedical research enterprise

Relief to Resume Pre-pandemic Research

This emergency relief funding is especially critical to maintaining and advancing U.S. competitiveness during this crisis through innovations supported by the National Science Foundation (NSF), the Departments of



May 27, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
S-226, United States Capitol
Washington, DC 20510

The Honorable Richard Shelby
Chairman
Appropriations Committee
United States Senate
304 Russell Senate Office Building
Washington, DC 20510

Dear Leader McConnell, Leader Schumer, Chairman S

We represent the leading national voices for the rese at the forefront of our nation's fight against the COVI to mitigate the pandemic's harmful health, economic Congress identifying \$26 billion in research relief func we reiterate the urgency of that request and ask that federal research agencies of at least \$26 billion in its

COVID-19 has caused enormous disruptions to federa detrimental impacts on our nation's research enterpr significant strides in avoiding long-term and devastati ability of our nation's patients, doctors, innovation ar have access to globally-competitive, American innova

Federally supported research at academic institutions researchers has been disrupted, delayed, and, in som experiencing extraordinary strains during this crisis. It expertise and talent base, which would put our comp threats has generated bipartisan support in both the of Congress have signed letters asking Congressional research workforce.¹

¹ April 29, 2020 bipartisan letter from 181 Members of the House research agencies; May 4, 2020 bipartisan letter from 33 Senator research agencies.



Francis Collins, director of the National Institutes of Health, testifies during a Senate panel hearing on May 7, 2020.

Photographer: Andrew Harnik/AP Photo/Bloomberg

Virus Will Cost NIH \$10 Billion in Lost Research, Director Warns (1)



Rep. Diana DeGette @RepDianaDeGette · Jun 5

This is why @RepFredUpton and I led 180 of our House colleagues in urging relief for scientific and medical researchers who have been impacted by the pandemic.

We must ensure that critical medical research can continue. Life-saving cures are at stake.



The coronavirus pandemic claims another victim: Medical research for d... Work on many conditions is deemed nonessential, dismayng families who found hope in promising treatments.

washingtonpost.com

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Covid Relief Packages: Proposed Funds for NIH

(\$ in millions)

Institute/Center	Senate HEALS Proposal	House-passed Heroes Act	House-passed FY 21 (Title VI)
OD	\$12,905	\$4,021	\$5,000
NIAID	\$481	\$500	--
NHLBI	\$290	--	--
NCATS	\$1,225	--	--
NIMH	\$200	\$200	--
NIDDK	\$200	--	--
NICHD	\$173	--	--
NIMHD	\$64	--	--
Total Proposed	* \$15,538	* \$4,721	** \$5,000
<i>Research Relief</i>	<i>> \$10,100</i>	<i>> \$3,000</i>	<i>> \$2,500</i>

* Available through Sept. 30, 2024. ** Available through Sept. 30, 2025.

<https://www.aamc.org/research/adhocgp/Summary-of-NIH-Emergency-Supplemental-Funds-Proposals-FY21-July%202020.pdf>



Discussion



Tannaz Rasouli, MPH

AAMC

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trasouli@aamc.org



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Save the Date

Addressing Sexual Harassment in Academic Medicine

October 28, 3 pm ET



Frazier Benya, PhD

Senior Program Officer

National Academy of Sciences



Carrie Wolinetz, PhD

Acting Chief of Staff

Associate Director for Science Policy

NIH Office of the Director



Tomorrow's Doctors, Tomorrow's Cures®

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