

Summary of Ad Hoc Group Town Hall Meeting Nov. 10, 2010

FY 2011 Appropriations Update and Election Recap

Jennifer Zeitzer and Paul Smedberg offered an update on the status of the FY 2011 appropriations process, as well as recap of the mid-term elections. For FY 2011, all federal agencies are currently operating under a continuing resolution (“CR”), set to expire on Dec. 3. There is a strong likelihood of a second CR that could possibly last until February or March of 2011. Due to the outcome of the recent mid-term elections, it is possible that no further action will be taken on the FY 2011 appropriations bills until after the new congress is sworn in. House Republicans have publically stated their desire to reduce federal spending to FY 2008 levels.

The recent mid-term elections saw Republicans pick up control of the House by a margin of 239-189, with results in seven races still outstanding. Democrats retained control of the Senate by a margin of 53-46, with the Alaska race still undecided and results not expected for several weeks. January will see 16 new senators sworn in, as well as over 90 House freshmen being seated. Both House Republicans and Democrats will hold elections for leadership positions next week and there are currently several battles for leadership positions, committee chairmanships and ranking member positions on-going.

Jennifer and Paul also offered a brief outlook for the rest of the year and into 2011. Things to watch include:

- Vote to increase debt ceiling in the first quarter of 2011
- Fiscal Commission recommendations, which are due by December 1
- Republican agenda, including a repeal of the health reform bill, tax cut extensions, domestic discretionary spending cuts, and a possible earmark moratorium in the House
- FY 2012 appropriations, with the possibility of flat funding for NIH as the high-water mark, as well as the timeline of the appropriations bills

The group also noted that the Republican Study Committee will be worth watching, and that Dear Colleagues and programmatic requests for FY 2012 will probably be difficult. With so many new House and Senate members the group noted that the Ad Hoc Group has an obligation and an opportunity to educate these new Members and work with the House and Senate leaderships to them on the importance of the medical research enterprise.

FY 2012 Recommendation Discussion

Howard Garrison presented a potential model for formulating a FY 2012 request for NIH. In his analysis, Howard looked at data from NIH, including actual award data and NIH’s grant budget by fiscal year. The analysis suggested that a budget of \$35.3 billion in FY 2012 maintains the current level of investment and would provide for an inflationary increase over FY 2011, using a conservative estimate for BRDPI. Adjusting for ARRA funds already in the system (“no cost

extension from FY2011 and funds budgeted for FY2012), this would require an appropriation of \$34.7 billion.

According to Howard, the model uses data from the NIH web site and focuses on total dollars instead of numbers of grants. Howard also stated that the recommended funding level will prevent abrupt and wasteful project termination.

No final decision on a FY 2012 recommendation was made at the town hall and the Ad Hoc Group Steering Committee will continue to work on finalizing the recommendation in the coming weeks.

Messaging/Themes for FY 2012

Dave Moore gave a brief presentation on potential messaging for FY 2012. Dave noted that the Ad Hoc Group Steering committee has been holding its annual meetings with NIH Institute and Center (“I/C”) directors over the past few weeks. Before each meeting, the Steering Committee proposed a series of questions/suggested conversation topics to each I/C director. Questions included those on budget, the impact of I/C research, and balancing translational/basic research needs, among others. Themes that emerged from across the I/C meetings have included:

- Impact of ARRA: too early to predict the full budgetary effects
- Impacts of Potential Budget Cuts/Freeze: will be devastating on the next generation of scientists and emerging areas of research may suffer disproportionately
- Priorities Across I/Cs:
 - Genomics: The Cancer Genome Atlas, advances in sequencing, decreasing cost of sequencing, and the impact of this on research going forward
 - Personalized medicine
 - Global health
 - Economic impact of improved health outcomes
 - Collaborations

The broader group expressed that OMB will need continued encouragement from the community if they are to keep up strong support for NIH in light of the need for 5 percent budget cuts for FY 2012. The group expressed the need to mobilize grassroots over the next two months and suggested a possible Ad Hoc Group letter emphasizing NIH as a national priority.

Scientific Management Review Board Update

James Jorkasky and Lyle Dennis have been following the actions of the Scientific Management Review Board (“SMRB”) closely and offered an update for the group. The SMRB advises the NIH director on management and structure of the NIH. It includes four working groups and makes recommendations to the Director. Working groups have recently taken the following actions:

- Intramural Working Group: Recommended a clinical center line item in the Director's budget
- Translational Medicine and Therapeutics (TMAT) Working Group: This working group has adopted a proposal that will be sent to the SMRB by early December that will recommend creating a TMAT Institute or Center. The new unit would be comprised of at least the following programs: CTSAs, the Cures Acceleration Network, the RAID and TRND programs, the Molecular Libraries Program and new FDA-NIH collaborations. The full SMRB is expected to consider this recommendation at its next meeting.
- Substance Use, Abuse, Addiction Working Group: Considered a possible merger between NIAAA and NIDA. The group considered both a structural merger (creating one institute) and a functional merger (addiction research collaboration between the two), with the NIH Director to choose between the two. During deliberations, NCI Director Harold Varmus motioned to abolish both and create one "Addiction Institute", and to then parcel out the rest of the NIAAA and NIDA research portfolios to other I/Cs. The motion was accepted and this recommendation will be included in the SMRB report to the NIH Director, after which he has 90 days to accept, reject or modify the recommendation.

Many group members expressed concern that the potential reorganization will not be cost effective and that long-term budget implications of such actions are unknown at the present time. There was also concern that some research may not get the attention it needs if mergers take place and research is moved to other institutes. The addiction institute proposal will be sent to NIH Director Francis Collins this week. The next SMRB meeting will take place Dec. 7-8, 2010.

Lyle mentioned that a new coalition has been formed for those interested in following these issues. Interested parties may email Lyle at ldennis@dc-crd.com if they are interested in being added to the coalition's email list.