

THE WHITE HOUSE

WASHINGTON

June 1, 1994

The Honorable C.W. Bill Young
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Young:

Thank you for your letter about my remarks to the staff of the National Institutes of Health (NIH).

You noted particular concern in your letter about the authorization for basic biomedical research in the fiscal year 1994 and 1995 budgets. The fiscal year 1994 budget was constrained by discretionary spending limits in the Budget Resolution for that year. Therefore, difficult choices were made. The President's fiscal year 1995 budget, however, includes a 4.7 percent increase for NIH. Significantly -- in a year that the President has maintained his commitment to reduce federal spending -- NIH is one of the few agencies to receive a funding increase.

You also raised concern about the participation of NIH during the development of the President's proposal for health care reform. Significant attention was given to biomedical research throughout the development of the President's plan. Dr. Philip Lee, the Assistant Secretary for Health, worked extensively on the sections of the proposed legislation on prevention and health services research. Dr. Bernard Arons, of the National Institute of Mental Health, and Dr. Ruth Kirschenstein, then Acting Director of NIH, worked closely with Dr. Lee. As a result of this ongoing consultation, the President's proposal for health care reform increases funding for research, and his fiscal year 1995 budget identifies a source of funding -- a tobacco tax -- to assure that these funds will be appropriated. For fiscal years 1996 to 1999, these activities are fully funded within the discretionary spending limits.

During my visit to NIH, Dr. Harold Varmus and a group of his colleagues presented a broad range of scientific studies currently underway at NIH, including studies on the HIV virus, gene therapy and drug addiction, and the human genome project. In addition, I had the opportunity to visit with a number of patients receiving treatment for AIDS and genetic diseases. The visit was exhilarating, educational and sobering, and I feel fortunate to have had the chance to view firsthand the dedication

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and talent of the scientists at NIH and their enormous contribution to the prevention, diagnosis and treatment of disease.

The role of NIH in driving research and advances in medical science is in large part responsible for the high quality of medical care in this country. I believe that the President's proposal for health care reform reflects this Administration's commitment to biomedical and behavioral research. Thank you for your leadership in this area. I look forward to working with you on this issue in the coming weeks.

Sincerely yours,


Hillary Rodham Clinton

cc: Melanne ~~Chase~~, Jennifer ✓
Jack

Congress of the United States

Washington, DC 20515

February 22, 1994

Hillary Rodham Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C.

DAM MAR 29 1994

Dear Mrs. Clinton:

We are writing to express our extreme dismay at remarks attributed to you at the National Institutes of Health on February 17th.

While we were heartened by your assertion that the President intends to reaffirm "our nation's commitment to basic biomedical research," we take great exception to your derogation of previous Administrations and your assertion that opponents of the President's health care reform plan are "against government financing of basic research." We find these statements to be misleading in the extreme and counterproductive to providing critical increases in government funding for biomedical research.

In light of your remarks, we wish to clarify the situation regarding biomedical research. In response to your contention that opponents of the President's health care reform plan oppose government financing of basic biomedical research, we would remind you that we led the successful effort last year, along with other members of the House and Senate Appropriations Committees, to reject the President's proposed cuts in NIH funding for 1994. While we oppose the President's health care reform plan as overly intrusive, we are committed to working with you and with all Members of Congress to enact responsible health care legislation for all Americans.

We are disturbed by your statement that, "for much of the past decade, biomedical research has been neglected and underfunded and even underappreciated." We agree that the federal government ought to increase its support for this important enterprise. However, by comparison with previous budget requests, President Clinton's requests to Congress for NIH funding are quite low and indicate, in our opinion, a lack of vision for the future of medical research. For the fiscal years 1990-1993, President Bush requested average annual increases of 5.25% for the NIH. During those years, Congress provided annual average increases of 6.9% for NIH research. By contrast, for 1994, President Clinton requested only a 2.0% increase for the NIH overall. Most disconcertingly, the President asked to cut funding for 10 of the 17 Institutes. We find it extremely ironic that you would now suggest the President is attempting to remedy past underfunding of the NIH.

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The President's request for a 3.8% increase for the NIH for 1995, while an improvement over the 1994 budget request, continues practices we find unacceptable. For instance, the request for forward funding of \$100 million for NIH serves only to create the impression of the President's commitment to research without providing any additional funding for the Institutes. In recent meetings with our staffs, the Department of Health & Human Services could identify no programmatic justification for this budget gimmickry.

More troubling to us, the 1995 request for NIH continues the practice initiated by President Clinton of administratively earmarking funding for research on specific diseases. Under this practice, the scientific managers at the NIH who have traditionally been responsible for allocating funding according to their professional judgment of scientific opportunity are prospectively directed by non-scientists at the Department to allocate funding for specific disease research regardless of scientific judgment.

While we all agree that breast cancer and AIDS are extremely important research priorities, we believe that the President's administrative earmarks set a disturbing precedent for the conduct of science by severely undermining the professional peer review system. Administrative earmarking creates dramatic distortions in resource allocation, pits one patient group against another, and results in disturbing reductions in promising areas of research.

Finally, regarding your assertion that enactment of the President's health care plan will strengthen basic biomedical research, we disagree. While the President's plan would authorize additional biomedical research, it is appropriations which provide the funding. A commitment to research in the budget request is needed -- the willingness to make the hard choices to reduce funding for lower priority programs to provide necessary increases in high priority areas like biomedical research. President Clinton has clearly failed to make that commitment in either his 1994 or 1995 budget proposals. Over the past decade, the Congress, led by the Appropriations subcommittees, has demonstrated its commitment by providing increased funding for NIH above Administration budget requests -- including those of President Clinton.

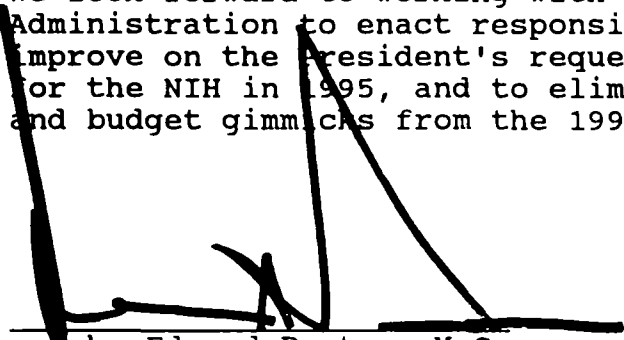
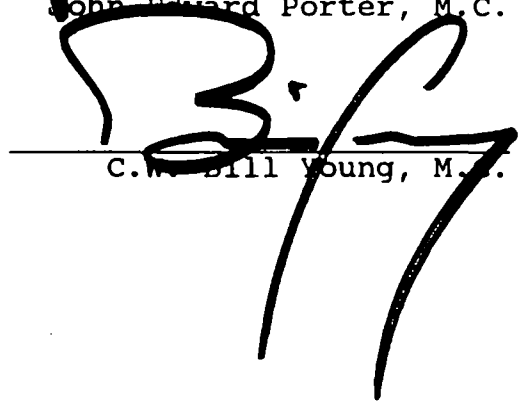
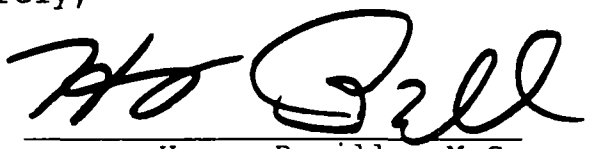
We find your comments regarding health care reform particularly unconvincing given that the NIH was generally excluded from the President's Health Care Reform Task Force. We believe that biomedical research offers the only long run hope of reducing health care costs and thereby reconciling the competing demands for increased access to care and containing global expenditures. During the hearings on the 1994 budget, all of the Directors of the Institutes were asked whether they or anyone from their Institute had been included in the Task Force deliberations.

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Most reported that their Institute was not asked to participate on the Task Force while other reported minimal involvement. We believe that biomedical research has been largely ignored in the President's health care reform proposal and encourage you to provide leadership that will result in an enhanced federal commitment to basic biomedical research.

We look forward to working with you and other members of the Administration to enact responsible health care reforms, to improve on the President's request for a 3.8% funding increase for the NIH in 1995, and to eliminate the administrative earmarks and budget gimmicks from the 1995 NIH appropriation.

Sincerely,


John Edward Porter, M.C.
C.W. Bill Young, M.C.
Henry Bonilla, M.C.
Helen Delich Bentley, M.C.