Despair Morphs into Cautious Optimism—For Now!

When I last wrote to you in early April, President Trump had just released his Fiscal Year (FY) 2018 Budget Blueprint with a proposed devastating cut to National Institutes of Health (NIH) funding and a vague reference to changes to its structure and research prioritization process. I offered consolation to our community’s despair with the adage, “The President Proposes, the Congress Disposes.” And dispose it did! In early May, Congress approved an FY2017 Omnibus spending bill with a $2 billion NIH increase, as in FY2016, and a National Eye Institute (NEI) increase of $25.4 million, or 3.5 percent—one of the highest percentage increases of the Institutes and Center (I/Cs). That bill also funded the Department of Defense’s (DOD) Vision Research Program at $15 million for the first time—$5 million more than the $10 million in appropriated funding for each of fiscal years 2013-2016. That optimism of $40 million more for vision research in FY2017 soon turned to despair again in late May as the detailed FY2018 Trump budget emerged with proposals to cut NIH and its I/Cs even further, to reduce limits on reimbursement in NIH grants for Facilities and Administrative costs to ten percent, and to reduce the Extramural Salary Cap from Executive Level II to EL V. The only bright spot was the absence of language proposing I/C structural changes beyond the already-proposed elimination of the Fogarty International Center and move of the Agency for Healthcare Research and Quality (AHRQ) into the NIH.

Fast forward to mid-July, and the House Appropriations Committee approved a Labor, Health and Human Services, and Education ( LHHS) appropriations bill that not only rejects most of what the President proposed regarding indirect cost reimbursement limits, an Extramural Salary Cap reduction, and structural changes, it increases NIH funding by $1.1 billion and NEI by $11.3 million. At the LHHS Appropriations Subcommittee’s July 12 markup, Chairman Tom Cole (R-OK) went as far as saying that he views the bill "as a floor and not a ceiling” and that he hopes the number can increase as the appropriations process continues—as it did in both FY2016 and FY2017, driven by the Senate and especially the leadership of Senate LHHS Appropriations Subcommittee Chair Roy Blunt (R-MO).

As you can see from this Report’s content, NAEVR has been on the Hill constantly, thanking Members for their past bipartisan efforts to increase biomedical research funding while requesting a sustained and predictable FY2018 NIH/NEI funding increase. From hosting private funding foundations in Hill advocacy in late April just as Congress released the FY2017 Omnibus bill to hosting Dry Eye researchers and clinicians in mid-July just as the House was releasing its LHHS spending bill, this advocacy has emphasized the value of biomedical research, especially vision research. Tempering our optimism, much can still happen—or not happen—over the next several months.

In its advocacy, NAEVR has already been calling for an FY2018 bipartisan budget agreement that could pave the way for increased caps.

Without a Budget Resolution, the House and Senate have set different allocations for their spending bills, with the former adopting a defense spending cap at $70.5 billion over that in the Senate—at the expense of nondefense discretionary spending, which includes NIH. The House now plans to pass a “Minibus” spending bill prior to its August recess that includes FY2018 funding for the Departments of Defense, Veterans Affairs, and Energy, as well as to fund Congress and a portion of the Mexican Border Wall proposed by the President. The remaining bills would be combined into an Omnibus for consideration in September.

The Senate is further behind, with markup of its LHHS spending bill not expected until after its abbreviated August recess. As a result, Congress is likely to pass one or more short-term Continuing Resolutions (CR) and may even move to develop a bipartisan budget agreement—as it did for fiscal years 2016 and 2017—that could raise the Budget Control Act (BCA) caps and provide sequester relief that could pave the way for an NIH increase greater than the $11 billion “floor” proposed in the House. Of course, none of this could happen and Congress could default to a full-year CR at the FY2017 level, with a rescission that reflects the FY2018 BCA cap and sequestration. Other wild cards in the equation include a potential government shutdown, which is not favored by the rank-and-file from either party, as well as a potential Trump Administration veto of NAEVR/AEVR’s FY2017 Cost of Military Eye Injury study, which is described in detail on the back page of the Report.

I wish to thank all of the organizations that have supported the Alliances in 2017 not only with dues and contributions, but with their time and resources to assist in advocacy and education.

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