"State of Biomedical Research"
Assoc. of Independent Research Inst.
Baltimore MD Oct 13 1993

DA Henderson

Your Association represents an exceptional and most valued component of the U.S. research enterprise.

Delighted to have the opportunity & meet with you today. / Sorry to miss Mike Stevens
I don't feel that I bring & you any unusual or "inside" viewpoints on the biomedical research scene — happy & ramble for somewhat less than my allotted time, ~~& listen attentively & my learned colleagues~~ and & respond, as best I can & questions.

- As you may know, the Congressional markup for NIH took place last week — provides an increase of 6.1% for NIH / Actually 5.2% for most institutes and the balance for special programs — an ↑ of ~ $600 x 10^6
  This will be a modest ↑ over the Biomed. R+D Price Index but not much more.
  However valued biomedical research may be — and I can assure you the Administration does value it — difficult & imagine now, a scenario which would permit substantially larger increases over the immediate years ahead. Not a dropping up of research funds.

- Two major themes dominate all debate and deliberation
  ① Budget reduction
  ② Health care reform

Both Congress and the Administration — intent on real budget ~~constraint~~ restraint
(not a constraint and a budget characterized by Rosy Scenarios and David Stockman's famed asterisks — "savings & be identified later")
Few new initiatives are possible — and 6% for NIH is generally viewed as comparatively generous, given the overall budget climate.

Arguments: ① Too few new and competing grants for the number of investigators.

Counter: Too many investigators.

② New opportunities & U.S. competitiveness ← burgeoning products of biotechnology

Counter: Are we, even now, positioned and organized to take advantage of current basic research.

(↑ in acad-univ.-ind. relationships and activities but many questions re: structure and attitudes of both univ. and govt. — "industry, overall, is undergoing and has undergone a radical transformation" — how about academia)

What do they mean? To illustrate —

① "Fat in administration" supported by grossly inflated ind. costs.

The Stanford debacle did not help.

Reinforced initially, at least by res. orgs.

Working ← univ. community, agreed, have managed to lay this to rest (temporarily) ← new A-21

but issues resurfaced again ← new administration.

Personal belief as to when we are but perception lingers

② Rigidities of univ. dept. structures ≠ indeed such as NIH & Study sections ~~probably~~ which seriously deter interdisciplinary research.

③ ? Doctoral programs being conducted as educational experiences or do the doctoral and post-doctoral students represent cheap labor? Is it possible that we are producing too many doctoral students? Not answered but many have the perception that there are too many programs too dependent on foreign students.

(4) <u>Misconduct in science issues</u> – which instit. have <u>not</u> handled well and which have involved some of our best known scientists – e.g. Baltimore and Gallo

(5) <u>Conflict of Interest</u> – not a well-defined set of guidelines and here again what we hope are outliers have downmatched the headlines – SCRIPPS-SANDOZ.

These are only illustrative points which I hear raised repeatedly as "evidence" that science needs more to put its house in better order than it needs more funds. And there is some truth in this.

Extends both to our private research enterprise <u>and</u> to such as NIH.

Recent articles in <u>Science</u> raise questions about intramural governance and productivity – indeed about the distinction between intramural and extramural programs. (Congress has asked for a study)

Question raised as to whether the current study section structure, mode of functioning and mechanism for allotting resources – appropriate.

Harold Varmus will have his hands full – there <u>are</u> valid questions.

On top of this – what should be done about the Clinical Center?

Core patient care facility is a 40 years old – cannot be retrofitted.

One option presented by last NIH Director calls for

- Total replacement – cost > $1.6 billion

note that half of all clinical research beds are housed at NIH (some say why?)

It is clearly a time of questioning of many shibboleths not <u>only</u> in research but in other areas as well – be it defense, agriculture, foreign policy, reinventing government.

PCAST – Strategic Reports yet, & ~~not sure I said~~ not clear that univ. have heard this message. sci. pollen.

<u>Finally</u> – <u>Health Care Reform</u> –

Has all but totally preoccupied HHS and the administration. For good reasons

In the course of this, one hears frequently the question as to just how useful are so many of the new products of biomedical science.

Many indeed are therapeutic products of marginally greater benefit – but not unexpectedly, costly.

Research in genetics and the Human Genome Project have excited us all but, at the same time, this has raised questions of real concern.

- Possible Costs of various types of gene therapy
- Ethical issues of testing and counseling.
- Many others.

Overall - it bears overtones of a potentially heavy burden on the health care budget.

It is apparent that health care resources have hitherto been heavily expended in sickness care — often with marginal improvement & little increase in quality of life.

illustration: just 10% of population accounts for 72% of all expend.
50% " " " for 3% "

Now Emphasis on prevention intrinsic to health care plan and with this, an $ of 500×10^6 + in prevention research (40% basic)

A time of questioning and a time for ~~studies~~ reexamination of where we are, what we are and where we should go