



E000669



Memorandum

TO : Surgeon General
Public Health Service

DATE: February 18, 1965

FROM : Director
National Institutes of Health

SUBJECT: Proposed 1966 budget amendments implementing the recommendations
of the President's Commission on Heart Disease, Cancer, and Stroke.

NIH has been asked to review the proposed 1966 budget amendments transmitted by the Secretary to the White House, which are intended to implement the recommendations of the President's Commission on Heart Disease, Cancer, and Stroke under existing authority. In summary, the budget proposals prepared by the Department provide for an overall addition to the 1966 DHEW budget of \$75,850,000, of which \$38,850,000 would be an add on to the NIH appropriation. In the attached statement, we present a revised proposal covering NIH activities which represents our best judgment concerning effective implementation of the recommendations of the President's Commission through NIH programs utilizing existing statutory authority. Our revised budget used the proposed figures prepared by the Department as general guidelines. However, we have altered those figures in a number of particulars after careful consultation with program leaders in the affected NIH programs.

The attached proposals for an amended budget are essentially similar to those which we would propose submitting for transmission to Congressman Fogarty in response to his question in the recent appropriation hearings about how NIH can proceed with the implementation of the President's Commission Report using present authority. The sum of these figures represents the additive total of our best professional judgment about the individual components, and exceeds the total amount assigned to NIH programs in the Department's recommendations, which apparently was developed entirely from the detailed funding tables contained in the President's Commission Report without discussion with the programs involved.

The major elements of difference between the amendment proposed by the Department and those in the attached statement concern the following factors which we believe to encompass essential supporting action to facilitate effective implementation of the recommendations of the President's Commission:

- (a) Stabilization and quality improvement of graduate education in the biomedical sciences.
- (b) More attention to geographic dispersion of academic and scientific excellence in medicine.
- (c) Planning funds for the development of additional categorical research centers.

(d) Appropriate administrative costs considered to be integral components of the proposed program expansion.

(e) Contract funds for important developmental efforts related to heart disease, cancer, and stroke.

There are several matters related to these budget amendments which I should like to emphasize:

(1) One of the very critical matters which these budget amendments present relates to the objectives of the Commission Report in the area of clinical training. I have previously emphasized to you the great harm and confusion which will result, in my opinion, from the development and administration of clinical training separate and apart from research training programs when these activities must take place within the same departments and institutions. We therefore propose that the support of training, both clinical and research, through training grants be carried out through the programs of the NIH. We feel that a realistic division of labor with the Bureau of State Services (Community Health) would call for support by BSS of clinical traineeships which provide for one year or other short term specialty training on the basis of individual awards. This division of labor between training grants supported by NIH and clinical traineeships supported by BSS has already proven successful in the area of neurological diseases. We also believe that the strong need for additional paramedical personnel can best be met through further development of BSS programs. Within the area of clinical training, we would have serious doubts about the advisability of using existing authority to set up fulltime clinical investigatorships in the immediate future without extensive discussions with the medical schools and other interested parties. We do feel that the support of clinical training can be initiated through our training grant programs, and the training grant items contained in the attached statement assume that these grants can be made for both clinical and research training.

(2) Our proposed budget amendments make provisions for the inevitable increase in program direction and administrative costs which will be associated with any effort to enlarge existing activities as proposed in these amendments. We believe that it is imperative for the Public Health Service to make clear to the Department and to the Bureau of the Budget that the funds available for staff and cost of administration and the position ceilings in the current President's budget are not sufficient to permit undertaking of these additional program expansions. We would also reemphasize the need for a limited number of positions with high salary ceilings. As a prerequisite for the continued administration of all NIH programs, including those affected by these amendments, we would suggest that it might be advisable to add our previous legislative

proposal for salary increases to the legislation implementing the President's Commission on Heart Disease, Cancer, and Stroke.

We have had a very limited amount of time to respond to the opportunity to present our ideas on the proposed budget amendments. The attached statement represents our best judgments of an effective course of action given these circumstances.



James A. Shannon, M. D.

Attachment

NIH Proposed 1966 Budget Amendments
to Implement Recommendations of the President's
Commission on Heart Disease, Cancer and Stroke

The following table summarizes, by appropriation or account, NIH recommendations in relation to the HEW proposed 1966 Budget amendments to implement the recommendations of the President's Commission on Heart Disease, Cancer and Stroke.

<u>Appropriation/Account</u>	<u>Amount (thous.)</u>
General Research and Services, NIH (Division of Research Facilities and Resources)	\$2,400
National Institute of General Medical Sciences	16,500
National Cancer Institute	9,300
National Heart Institute	10,300
National Institute of Neurological Diseases and Blindness	5,600
General Research Support Grants	<u>9,900</u>
	54,000

NIH recommendations exceed the HEW proposed amendments by \$15,150,000. Approximately 10% of this increase is for administration of new or expanded programs, since 1966 allowances for administration, management and central services are only sufficient to provide for programs in the President's Budget. New programs of the magnitude contemplated in the report could not be mounted successfully without provision for costs of this nature.

The recommendations outlined in the following attachments involve some redistribution of amounts in the HEW proposals. They also include increases in the basic proposals as well as some additional proposals which NIH considers essential to the implementation of recommendations of the President's Commission.

In relation to the proposal for the General Research Support Program, it should be noted that the additional amount, distributed in accordance with statutory regulation, is additive to all NIH appropriations supporting regular program research grants.

GENERAL RESEARCH AND SERVICES, NIH
(DIVISION OF RESEARCH FACILITIES AND RESOURCES)

(Amount in thousands)

<u>Recommendation</u>	<u>Proposed Activity</u>	<u>1966 Amendment</u>	
		<u>Pos.</u>	<u>Amount</u>
13	a. General Clinical Research Centers...	--	\$2,000
1 & 17	b. Review and Approval.....	5	200
1 & 17	c. Program Direction.....	<u>10</u>	<u>200</u>
	Total.....	<u>15</u>	<u>2,400</u>

Brief Description of Proposed
Activities

- | | | |
|-----|---|---------|
| a. | This proposal will provide for needed expansion of the existing program..... | \$2,000 |
| b.c | Additional funds are required for administration, management, and central services related to the proposed general clinical center grants, and the increased program of general research support grants. Provision is also made for central coordinating office for heart disease, cancer, and stroke programs..... | \$400 |

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

(Amounts in thousands)

<u>Recommendation</u>	<u>Proposed Activity</u>	<u>1966 Amendment</u>	
		<u>Pos.</u>	<u>Amount</u>
15	a. Regular Program Research Grants.....	--	\$5,000
22	b. Research Training & Fellowships.....	--	7,000
1 & 2	c. Collaborative Studies.....	5	4,100
	d. Review and Approval.....	10	300
	e. Program Direction.....	5	100
	Total.....	25	16,500

Brief Description of Proposed Activities

- a. This amount is in agreement with the Commission's recommendation and the HEW proposal..... \$5,000
- b. This recommendation requires a \$1.0 million increase in the HEW proposal so as to provide \$500,000 for the Medical Scientist Training Program and a like amount for the Medical Student Research Training Program which are considered essential to the implementation of Recommendation No. 22 in the Commission's Report..... \$7,000
- c. Provision is recommended for clinical pathology development contracts. These contracts would involve studies of computer systems for serological and other diagnostic tests. Also included professional and administrative staff costs (5 positions)..... \$4,100
- d,e Costs of administration, management, and central services related to additional grants and contracts..... 400

NATIONAL CANCER INSTITUTE

(Amounts in Thousands)

<u>Recom- mendation</u>	<u>Proposed Activity</u>	<u>1966 Amendment</u>	
		<u>Pos.</u>	<u>Amount</u>
15	a. Regular Program Research Grants....	--	\$2,800
	Special Program Research Grants:		
14	b. Categorical Clinical Centers.....	--	1,000
14	c. Planning Grants.....	--	250
22	d. Training Grants and Fellowships....	--	4,000
1 & 2	e. Collaborative Studies.....	5	1,100
	f. Review and Approval.....	10	100
	g. Program Direction.....	5	50
	Total.....	20	9,300

Brief Description of Proposed Activity

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|---------|--|-------|
| a. | An additional \$1.3 million is proposed as feasible and essential to the implementation of Recommendation No. 15 with respect to cancer programs..... | 2,800 |
| b. | This proposal provides for needed expansion of the existing NCI categorical clinical center program..... | 1,000 |
| c. | Planning grants are proposed for the development of comprehensive categorical institutes in University-based research environments..... | 250 |
| d. | This proposal involves \$3.0 million for training grants in the undergraduate field designed as a substitute for the present NCI undergraduate training program. It also makes provision for expansion of the radiological training program..... | 4,000 |
| e. | An amount of \$1.0 million is proposed for contractual development of computerized clinical pathology. Professional and administrative staffing costs are also included..... | 1,100 |
| f. & g. | Costs of administration, management and central services related to additional grants and contracts..... | 150 |

NATIONAL HEART INSTITUTE

(Amounts in Thousands)

<u>Recom- mendation</u>	<u>Proposed Activity</u>	<u>1966 Amendment</u>	
		<u>Pos.</u>	<u>Amount</u>
15	a. Regular Program Research Grants.....	--	\$5,000
14	Special Program Research Grants:		
	b. Categorical Clinical Centers.....	--	1,000
	c. Planning Grants.....	--	250
22	d. Training Grants and Fellowships.....	--	1,800
16	e. Collaborative Studies.....	5	2,100
	f. Review and Approval.....	5	100
	g. Program Direction.....	5	50
	Total.....	<u>15</u>	<u>10,300</u>

Brief Description of Proposed Activity

a.	An increase of \$2.5 million over the HEW proposal is recommended as essential to the implementation of Recommendation No. 15.....	\$5,000
b.	This proposal provides for needed expansion of the existing NHI categorical clinical center program.....	1,000
c.	Planning grants are proposed for the development of comprehensive categorical institutes in University-based research environments.....	250
d.	This proposal recommends a lower level of support than proposed by HEW.....	1,800
e.	Provision for accelerated development of the artificial heart and kidney is recommended in this proposal. Professional and administrative staffing requirements are included (\$100,000).....	2,100
f.& g.	Costs of administration, management and services related to additional grants and contracts.....	150

NATIONAL INSTITUTE OF NEUROLOGICAL
DISEASES AND BLINDNESS

(Amounts in Thousands)

<u>Recom- mendation</u>	<u>Proposed Activity</u>	<u>1966 Amendment</u>	
		<u>Pos.</u>	<u>Amount</u>
15	a. Regular Program Research Grants.....	--	\$2,000
	Special Program Research Grants:		
5	b. Categorical Clinical Centers.....	--	500
14	c. Planning Grants.....	--	250
22	d. Training Grants and Fellowships.....	--	2,250
11	e. Collaborative Studies.....	10	550
	f. Review and Approval.....	5	50
	Total.....	<u>15</u>	<u>5,600</u>

Brief Description of Proposed Activity

a.	The amount recommended is somewhat less than that proposed by HEW.....	2,000
b.	This provides for two additional stroke centers (four are reflected in the 1966 President's Budget).....	500
c.	Planning grants are proposed for the development of comprehensive categorical institutes in University-based research environments.....	250
d.	An increase (\$1,250,000) over the HEW proposal is recommended.....	2,250
e.& f.	This recommendation includes \$300,000 for partial support of an Information Center on Stroke to be administered jointly with VRA. Also included is \$150,000 for contracts on instrumentation and on the incidence of stroke. The remaining amount provides for the costs of administration, management and central services related to the grant and contract programs.....	600

GENERAL RESEARCH SUPPORT GRANTS

(Amounts in Thousands)

<u>Recom- mendation</u>	<u>Proposed Activity</u>	<u>1966 Amendment</u>	
		<u>Pos.</u>	<u>Amount</u>
17	General Research Support.....	--	\$9,900*

Brief Description of Proposed Activity

The amount recommended includes the following programs:

- | | | |
|----|---|---------|
| a. | Developmental grants for the purpose of creating centers of excellence in medical education and research as described in Recommendation No. 4 of the Commission's Report..... | \$2,000 |
| b. | Provision to stabilize graduate education as a related element of existing programs to support graduate schools engaged in biomedical research..... | 2,000 |
| c. | Further expansion of the basic general research support program so as to provide for new schools becoming eligible for such support..... | 5,900 |

* See comment in preface.