

FOVA

February 14, 2006

Friends of VA Medical Care and Health Research

A coalition of national organizations
committed to quality care for
America's veterans

Executive Committee

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The Honorable Henry Brown
Chairman
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Committee on Veterans Affairs
U.S. House of Representatives
Washington, DC 20515

The Honorable Mike Michaud
Ranking Member
Subcommittee on Health
Committee on Veterans Affairs
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman and Ranking Member:

On behalf of the Friends of VA Medical Care and Health Research (FOVA) coalition, thank you for your ongoing support of the VA research program. FOVA is a coalition of 80 organizations committed to high quality health care for veterans. We are writing regarding the administration's budget request for VA research for fiscal year (FY) 2007 and urge your support for an appropriation of \$460 million.

The administration's FY 2007 budget requests \$399 million for VA research, a \$13 million (approximately 3.2 percent) reduction from the final FY 2007 appropriation. These funds provide direct support for research projects as well as the salaries of non-clinician investigators. In its budget summary, (<http://www.va.gov/budget/summary/index.htm>) VA anticipates this \$13 million reduction will result in the elimination of 82 investigator-initiated programs, 15 special research initiatives, and seven multi-site research projects. The department also anticipates a reduction in VA's direct research employees by 286. VA also anticipates increasing research funds for studies of acute and traumatic injury and central nervous system injury and related disorders. However, in order to fund these new studies with a shrinking budget, VA projects cuts to research in aging, cancer, infectious diseases, kidney diseases, diabetes, lung disorders, and heart diseases, among others.

As with prior years, the administration's budget also includes projections for VA research spending from the main VA medical care program. This "medical care support" is slated for a \$13 million increase, from \$353 million in FY 2006 to \$366 million in FY 2007. While this increase might seem to offset the proposed cut to direct research funding, the medical care support allocation does not support research programs. As the budget submission indicates, this allocation funds "facility costs of heat, light, telephone, and other utilities associated with laboratory space; the administrative cost of human resource support, fiscal service, and supply service attributable to research; research's portion of a medical center's hazardous waste disposal and nuclear medicine licenses; and, most importantly, the time clinicians devote to their research activities."

The VA budget also includes non-VA funding sources among the lines of support for VA research. The budget rosily projects a \$13.24 million increase (from \$662 million in FY 2006 to \$675 million in FY 2007) in other federally funded research conducted at VA, funds which have primarily come from National Institutes of Health (NIH) funded research projects. However, the administration's budget for NIH is flat for FY 2007. Finally, the budget includes a \$4 million increase in private research funding (from \$204 million in FY 2006 to \$208 million in FY 2007), a projection much more aligned with reality than prior budgetary projections of

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astronomical growth in these funds, which come from industry to support clinical trials as well as foundations and other non-profit entities to support research projects.

Programmatically, the budget includes plans for two special research projects to begin in FY 2007. The first project focuses on the special needs of service personnel returning from Operation Iraqi Freedom and Operation Enduring Freedom. The project envisions a wide ranging number of research efforts, including targets in post-traumatic stress disorder and other mental health issues; amputation and prosthetics research; and returning personnel reentry and reintegration. A second special project would focus on genomic medicine. The thrust of this project is to link veterans' genetic information with the VA electronic health record. According to the budget submission, "The goal is to develop genetic assessments that will potentially enable 'mass customization' of medical treatment."

FOVA supports a FY 2007 direct research appropriation of \$460 million. The coalition wholeheartedly supports the vision to expand the VA research program to encompass the needs of service personnel returning from current conflicts, whether they include polytrauma, massive burn injury, or mental conditions. Such expansion of the program requires new resources so VA's other research areas, which are equally important to the long-term care of veterans, do not languish in the meantime. FOVA also supports a \$45 million appropriation for VA research facilities to renovate aging research facilities and supply the necessary equipment to outfit new facilities.

Please feel free to contact the following members of the FOVA Executive Committee with questions about the FY 2007 VA research budget proposal or FOVA's support of a \$460 million appropriation.

Sincerely,

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