

AAMC Association of American Medical Colleges
AAU Association of American Universities
CGS Council of Graduate Schools
COGR Council on Governmental Relations
NASULGC National Association of State Universities and Land-Grant Colleges

June 2, 2006

Norka Ruiz Bravo, Ph.D.
Deputy Director for Extramural Research
National Institutes of Health
One Center Drive
Building One - Room 144
Bethesda, MD 20892-0152

Dear Dr. Ruiz Bravo:

We are writing on behalf of the member institutions in our associations - the Association of American Medical Colleges (AAMC), the Association of American Universities (AAU), the Council of Graduate Schools (CGS), the Council on Governmental Relations (COGR), and the National Association of State Universities and Land Grant Colleges (NASULGC). We wish to express our concerns regarding proposed modifications to the current Ruth L. Kirschstein National Research Service Awards (NRSA) funding formula for tuition reimbursement on research training grants and fellowships, and to request formally that NIH delay implementation of the proposed payment cap of \$16,000 on graduate tuition to allow more complete discussion and analysis of alternatives with all stakeholders.

Taken together, the members of our associations receive nearly all the NRSA awards provided by NIH and, since its inception, have made tremendous scientific, educational, and financial commitments to ensure the success of this program. We continue to receive and analyze data from our member institutions, but preliminary analysis indicates that cost sharing by all institutions under the existing tuition payment policy is already substantial and is estimated to be nearly \$70 million a year. Imposing a \$16,000 cap would increase that cost sharing by about 43 percent, to nearly \$100 million, and affect both public and private institutions; for many, this shift will be difficult, if not impossible, to manage.

Our member institutions appreciate the proposed increases in pre- and postdoctoral training related expenses and predoctoral institutional allowance categories to recognize the increasing costs of health insurance. However, we are concerned that the additional support provided (\$2,000 per predoctoral trainee and \$4,000 per postdoctoral trainee for institutional training grants) may be insufficient to cover the costs of health insurance, thereby requiring additional support from the funds needed for other training related expenses. Postdoctoral health insurance will almost certainly exceed the \$4,000 allowance immediately, while rapidly rising costs of health insurance will surely result in an insufficient allowance for predoctoral trainees.

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Our member institutions value our partnership with NIH and remain committed to ensuring an overall level of training of biomedical research personnel commensurate with national need. While it is hard to determine precisely the need for trained biomedical scientists (and during the doubling years for NIH's budget, the number of NRSA program slots increased only modestly), our institutions are proud of the high quality of our nation's biomedical research workforce and recognize the vital role in maintaining the high quality of and continually refreshing that workforce. Accordingly, we hope that during the difficult budget years we now face, a reasonable level of NIH support can be maintained and that we can engage in a more thorough and searching discussion about national need and the future of Kirschstein NRSA's.

As you know, the Nixon Administration proposed to eliminate all federal support for research training in the early 1970s. Congress instead determined that it was in the national interest to ensure that scientists be trained for future national research needs and passed the National Research Act of 1974, thereby creating the NRSA program. Although NRSA's have historically supported less than 15 percent of trainees in the biomedical sciences, these prestigious and highly competitive training grants play a vital role in attracting the most qualified students into medical science, ensuring a consistent and high quality of research training as well as fair compensation of fellows, and stimulating training in emerging disciplines and those where national need is, and will be, deemed to be greatest. NRSA's have made and will continue to make important contributions to our national leadership in biomedical and behavioral research.

Originally, NRSA's funded the full cost of trainee tuition at host institutions. In response to nearly flat congressional appropriations in the early 1990s, NIH determined that tuition should be paid on a formulaic basis in FYs 96-97. Under this formula, which has been in place until the current fiscal year, the NIH reimbursed 100 percent of the requested tuition, fees and insurance costs up to \$3,000 and 60 percent of the costs above \$3,000, per trainee.

We recognize that NIH's current proposal of 60 percent reimbursement up to a \$16,000 cap on tuition is a direct response to the flat, and indeed declining (in constant dollars) appropriations of the post-doubling period; and that NIH is trying to address the consequences of policy and funding decisions that have cut the biomedical research capacity brought online during the doubling of NIH's budget. As indicated in the Notice seeking comments on the proposed policy revisions, the current budget situation and prospects for the coming years have led NIH to assume that funding will not be sufficient to sustain current levels of trainee slots, let alone support growth in the NRSA program.

We hope this assumption proves incorrect and are convinced it is in the national interest to return to reasonable, predictable, and sustainable increases in overall NIH funding. In the meantime, our member institutions must continue to attract the ablest students to biomedical research.

We remind NIH of the wave of cost-shifting policies and actions imposed on academic institutions by NIH, OMB and the Congress in the late 1980s and early 1990s, policies that mostly were not re-examined during the NIH doubling period. History indicates that agency-mandated caps--even "temporary" caps--tend to become permanent.

As the associations and institutional representatives stated during the NIH Town Hall meeting, we all agree on the need to maintain the highest possible number of NRSA trainee slots with at least current tuition and fee reimbursement rates, but limited resources of necessity threaten this principle. In our view, the proposed cap of

\$16,000 on tuition payments represents a sudden and major shift of costs to recipient institutions that already contribute significant dollars and other resources to the support of graduate students. Therefore, we request that NIH make no change at this time to the tuition payment policy, but that it extend its current policy on tuition payment levels in FY07. In the coming year, we commit to work with NIH to find alternatives that distribute the adverse impacts of a constrained NRSA budget more equitably among all stakeholders.

At a time of unprecedented scientific opportunity, when our nation finds its world leadership in innovation in the life sciences sorely threatened by competition from overseas, it is unfortunate that fiscal circumstances force us to consider cutting federal investments in the training and education of our best students and future researchers.

Sincerely,



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cc: Elias Zerhouni, M.D., Director, National Institutes of Health
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