

MEMORANDUM

To: DRRC Members

From: Peter Thomas, Bobby Silverstein, Leif Brierley, and Reva Singh

Date: February 26, 2018

Re: FY 2019 Budget Proposal's Effect on NIH, NIDILRR, ACL and CDC

President Trump's Fiscal Year 2019 budget proposal released on February 12, 2018 contains a large number of alarmingly low funding levels and structural changes to key disability and rehabilitation programs. However, it is difficult to analyze with precision the true impact of these proposals for three reasons. First, the budget was released one business day following enactment of the Bipartisan Budget Act of 2018 (H.R. 1892), so funding levels in that legislation are not reflected in the budget documents. Second, the final appropriations levels for FY 2018 are expected to be settled by the time the current Continuing Resolution (CR) expires on March 23, 2018, or if the deadline slips, shortly thereafter. Finally, the Department of Health and Human Services (HHS) has yet to release the detailed FY 2019 budget "justifications" document that often accompanies publication of the underlying budget document. The justifications document outlines in detail provisions described more broadly in the budget itself.

With these caveats, this memorandum summarizes some of the proposed funding amounts for rehabilitation and disability research programs, as well as for related disability programs run by the Administration for Community Living (ACL)

National Institutes of Health (NIH)

The President's Budget provides a total of \$35.5 billion for the NIH for FY 2019. That total amount includes \$34.8 billion to fund the NIH, plus \$750 million authorized to address the opioid crisis and individuals with mental illnesses. This proposal corresponds to a \$1.4 billion increase over FY 2018 Continuing Resolution (CR). It should be noted that an Addendum to the President's Budget authorizes \$9.2 billion in funding to the NIH Office of the Director, who is directed to allocate the resources across the various NIH Institutes and Centers at his discretion. However, this funding appears to be included in the \$35.5 billion budgeted for FY 2019. Within the NIH, the Eunice Shriver Kennedy National Institute on Child Health and Human Development (NICHD) is funded at a proposed amount of \$1.340 billion, a reduction of \$31 million from FY 2018 CR levels. The NICHD houses the National Center on Medical Rehabilitation Research (NCMRR), which receives funding amounts that are proportional to NICHD.

Consolidation of Research Programs

The President's FY 2019 Budget proposes the consolidation of several HHS research programs into the NIH's domain. Specifically, the Budget proposes consolidating the National Institute on Disability, Independent Living, and Rehabilitation Research (NIDILRR) (which is currently housed

within the Administration for Community Living (ACL)), the CDC's National Institute of Occupational Safety and Health (NIOSH), and the Agency for Healthcare Research and Quality (AHRQ) into the National Institutes of Health. AHRQ would be renamed the National Institute on Research and Safety Quality (NIRSQ). Each of these three agencies would be moved to NIH as independent institutes initially with significant budget reductions compared to FY 2018. However, the budget states in a footnote that "NIH will assess the feasibility of integrating health services research activities more fully into existing NIH Institutes and Centers over time."

National Institute on Disability, Independent Living, and Rehabilitation Research (NIDILRR): In moving NIDILRR from the Administration on Community Living (ACL) to the NIH, the budget proposes reducing FY 2019 funding for NIDILRR by approximately \$8 million from the FY 2018 CR level, reducing the allocation to \$95 million. The Administration justifies its transfer of NIDILRR to NIH by stating that NIDILRR complements existing NIH research portfolios addressing disabilities and aging. In point of fact, NIDILRR supports health and function research that is materially different from the NIH rehabilitation research portfolio in that it focuses on participation, disability, and societal limitation research rather than more basic and clinical medical rehabilitation research. Experts suggest the research culture at the two entities is quite different and may be difficult to reconcile without compromising NIDILRR's traditional priorities and its role in supporting rehabilitation, disability, and independent living research.

Agency for Health Research and Quality (AHRQ)

The FY 2019 Budget moves the AHRQ into the NIH as a free-standing institute called the National Institute for Research on Safety and Quality (NIRSQ). The FY 2019 Budget allocates \$256 million for NIRSQ to fund select activities formerly funded by AHRQ, approximately \$124 million of which is considered mandatory funding from the Patient-Centered Outcomes Research Trust Fund. The President's Budget zeroes out funding for AHRQ. Previously, the AHRQ was funded at \$415 million in FY 2017 and \$422 in the current FY 2018 CR.

The National Institute for Occupational Safety and Health (NIOSH)

The President's FY 2019 budget states that NIOSH will also be moved to NIH as an independent entity and receive \$255 million for FY 2019. This includes \$200 million for research to prevent work-related injuries, fatalities, and illness. \$55 million comes from mandatory funding for the Energy Employees Occupational Illness Compensation Program Act. NIOSH under the CDC will lose \$333 million as compared to the FY 2018 CR due to its move to NIH.

Other ACL Rehabilitation and Disability Programs

For the second year in a row, the National Limb Loss Resource Center as well as the National Paralysis Resource Center are both zero funded in the FY 2019 budget. Thus far, in FY 2018, Congress restored funding for both programs. The Limb Loss Resource Center, currently run under the auspices of the Amputee Coalition of America, has received \$2.5 million under the current CR, which is consistent with the FY 2017 level and \$300,000 less than FY 2016. The National Paralysis Resource Center, currently run under the auspices of the Christopher and Dana Reeve Foundation, has received \$6.7 million under the current CR, which is consistent with the FY 2017 level and \$1 million less than the FY 2016. The budget states that these programs are zero-funded because the activities of these programs can be provided by existing budget authority in other areas of the budget.

Finally, the Traumatic Brain Injury (TBI) program would be level-funded at \$9 million under the FY 2019 budget.

Centers for Disease Control and Prevention (CDC)

Overall funding for the CDC would be reduced by \$138 million from FY 2018 CR levels, from a total of \$1.078 billion to \$939 million in FY 2019. Those changes would include a \$27 million reduction to the National Center on Birth Defects, Developmental Disabilities, Disabilities and Health (from \$137 to \$110 million in FY 2019), as well as a \$18 million reduction for Injury Prevention and Control Centers (from \$284 to \$266 million in FY 2019).