January 16, 2009

Peter R. Orszag, PhD
Obama-Biden Transition Project
451 Sixth Street, NW
Washington, DC 20001

Subject: FY 2010 Budget Requests for 1) VA Medical and Prosthetics Research and; 2) VA Research Facilities

Dear Dr. Orszag:

The Friends of VA Medical Care and Health Research (FOVA) is a diverse coalition representing more than 90 national academic, medical, and scientific societies; voluntary health and patient advocacy groups; and veteran-focused organizations. FOVA was founded 20 years ago to ensure that America’s veterans receive high-quality health care. On behalf of FOVA, we write to recommend that the Administration request 1) $575 million in the fiscal year (FY) 2010 budget proposal for the Department of Veterans Affairs (VA) Medical and Prosthetics Research Program; and 2) provide for a new appropriations account designated exclusively for the maintenance, enhancement, and replacement of VA research physical infrastructure, supported by a request for $142 million in FY 2010.

VA health care has been lauded as a quality leader with documented achievements in patient satisfaction, safety, cost efficiency, improved health outcomes, cutting-edge information technology, and extraordinary research programs, including bio-medical, rehabilitative, prosthetic, health services, and comparative effectiveness research. However, despite its high productivity and success, funding for VA medical and prosthetic research has not kept pace with that of other federal research programs or with funding for VA health care. For the past few years, while Congress has supported increased funding for VA research, the prior Administration’s budget requests did not reflect the same level of support. To account for rising biomedical research inflation and to promote additional research in areas of importance to the newest generation of injured war veterans, FOVA recommends $575 million for FY 2010. It is the hope of FOVA that the Administration strongly considers working with Congress to develop a VA research budget for FY 2010 that reflects a shared commitment to medical research for the benefit of veterans and, ultimately, all our citizens.

The VA research program is patient oriented, focusing entirely on improving prevention, diagnosis, and treatment of conditions prevalent in the veteran population. Over three quarters of VA researchers are clinicians who provide direct patient care to veterans in VA facilities. As a result, the Veterans Health Administration, as the largest integrated health care system in the world, has a unique ability to translate progress in medical science directly to improvements in clinical care. VA research strives for improvements in treatments for conditions long prevalent among veterans, such as diabetes, spinal cord injury, mental illnesses, substance-use disorder, heart diseases, infectious diseases, and prostate cancer. VA
is equally committed to develop better responses to the grievous injuries suffered by veterans of Operation Iraqi Freedom and Operation Enduring Freedom such as extensive burns, brain injury, multiple amputations, compression injuries, and combat-related stress disorders. Additionally, VA was the innovator in electronic health record-keeping and has a long history of conducting large-scale studies comparing the effectiveness of medical treatments. Given sufficient funding, these attributes make VA uniquely capable of performing comparative studies for purposes of ensuring that every federal health care dollar is spent for the most effective treatment option.

A state-of-the-art physical environment for research promotes excellence in science as well as teaching and patient care. It also helps VA recruit and retain the best and brightest clinician scientists to care for our nation’s veterans. However, many VA facilities have exhausted their research space. In the 2003 Draft National Capital Asset Realignment for Enhanced Services (CARES) Plan, VA identified $142 million designated for necessary renovation of existing research space and build out costs for leased researched facilities. However, these capital improvement projects were dropped inexplicably from VA’s final report.

Over the past decade, only $50 million has been spent on VA research construction or renovation at only 24 of the 97 major VA research sites across the nation. Ventilation, electrical supply, and plumbing projects appear frequently on lists of needed upgrades along with space reconfiguration and new construction. In House Report 109-95 accompanying the FY 2006 VA appropriations, the House Appropriations Committee expressed concern that “equipment and facilities to support the research program may be lacking and that some mechanism is necessary to ensure the Department’s research facilities remain competitive.”

In FY 2008, the VA Office of Research and Development initiated a three-year examination of all VA research infrastructure for physical condition, capacity for current research, as well as program growth and sustainability of the space to conduct research. While the completed report has yet to be released, FOVA anticipates VA’s analysis will find need for funding significantly greater than identified in the 2004 CARES report.

Currently, the VA Medical and Prosthetic Research appropriation does not include funding for construction, renovation, or maintenance of VA research facilities. VA researchers must rely on their local facility management officials to repair, upgrade, and replace research facilities and to procure new capital equipment associated with VA’s research laboratories. As a result, VA research must compete with higher priority medical facility direct patient care needs (such as medical services infrastructure, capital equipment upgrades and replacements, and other maintenance needs) for scarce funds provided under either the Major Medical Facility or Minor Construction appropriations accounts.

To address this shortfall, FOVA, in full agreement with the Independent Budget veterans service organizations (AMVETS, Disabled American Veterans, Paralyzed Veterans of America, and Veterans of Foreign Wars of the United States), strongly encourages the Administration to propose a new appropriations account in the FY 2010 budget to independently define and segregate VA research infrastructure funding needs from construction and maintenance funding needs related to VA direct medical care. This partition would empower VA to address its growing research facility needs without interfering with direct care infrastructure.
We appreciate your consideration of this request. If you have questions about this letter or about FOVA, please contact a member of the FOVA Executive Committee, or write to FOVA at FOVA@im.org.

Sincerely,

FOVA Executive Committee