

**133rd MEETING OF THE NATIONAL CANCER ADVISORY BOARD (NCAB)
MEETING OF THE SUBCOMMITTEE ON PLANNING AND BUDGET**

February 15, 2005
7:00 p.m. – 9:20 p.m.

Remarks From the Chair

Dr. Franklyn Prendergast, Chair of the Subcommittee on Planning and Budget, welcomed participants to the meeting and reviewed the agenda. The Subcommittee has a crucial role to play in terms of advising the National Cancer Institute (NCI) on budget and planning issues. This advice must be prudent and effective, especially in light of the current and future budget situation. Dr. John Niederhuber also thanked participants and noted that the attendance of non-Subcommittee members will assist with these deliberations. Dr. Andrew von Eschenbach, Director of the NCI, stated that he is pleased with the interaction between the NCI and the advisory boards, particularly at the joint retreats. Fiscal realities drive NCI's programmatic priorities and, in turn, its strategic investments. Input from the subcommittees is needed on both the programmatic and the fiscal sides. NCI staff will work with the subcommittees to examine the portfolio, define opportunities, structure a financial plan, and implement the initiatives.

Discussion of the NCI Fiscal Year (FY) 2006 President's Budget

Mr. John Hartinger, NCI Associate Director for Financial Management, provided an overview of the FY 2006 President's Budget. Mr. Hartinger discussed the following points:

- The FY 2006 President's Budget includes a 0.3 percent (\$16.5 million) increase over 2005 for the NCI.
- Potential rescissions, like previous years, may decrease NCI's FY 2006 \$4.8 billion appropriation.
- 2006 budget policies include: (1) AIDS funding at the National Institutes of Health (NIH) increased by \$12 million; (2) NIH Roadmap funding increased by \$97 million; (3) NIH biodefense activities increased by \$7 million; (4) intramural research for NCI was held flat; and (5) information technology and administrative expenses were reduced. There is a new NIH cross-Institute \$12 million Neuroscience Blueprint Initiative. The cost of living adjustment for a noncompeting award was eliminated, and non-Research Project Grant (RPG) mechanisms remain flat for 2005 (except as changed by Roadmap, AIDS, biodefense, or the Neuroscience Blueprint Initiative).
- Of the \$16.5 million increase in NCI's budget, almost \$13 million is already committed to the Roadmap.

One participant asked about the process used to determine the President's Budget. Dr. von Eschenbach replied that NCI staff present information regarding NCI programs to Dr. Elias

Zerhouni, Director of the NIH. Dr. Zerhouni then presents the total NIH request to the Department of Health and Human Services. Ultimately a final decision is made by the Office of Management and Budget (OMB) regarding the Department's Budget, which includes the NIH.

Dr. von Eschenbach emphasized that the Bypass Budget provides an alternate opportunity for the NCI to present strategic opportunities to OMB decisionmakers.

Anticipating the NCI FY 2007 President's Budget

Mr. Hartinger presented the impact of two fiscal scenarios for the year 2007: (1) if the NCI budget remains flat, or (2) if the NCI budget increases by 2 percent. It was projected that the number of total awards would decrease from 5,223 in 2006 to 5,027 and 5,142 in 2007, respectively, for each scenario. Dr. von Eschenbach stressed that this is a modeling exercise to demonstrate the effect of each scenario on the RPG pool if all other parts of the portfolio remain constant (which is an unrealistic assumption).

Discussion

Dr. Niederhuber commented that the cancer community as a whole has failed to educate its lay partners/advocates about the budget process. He suggested that the Subcommittee help to address this issue.

Dr. von Eschenbach emphasized the importance of bold, new strategic initiatives that yield returns on investment that benefit the broader cancer community. NCI can develop and lead such strategic initiatives for the broader community.

Dr. Prendergast discussed the balance between producing tangible results for the public and sustaining fundamental scientific research. Dr. von Eschenbach stated that there are some macro-level questions that should be addressed regarding portfolio array and balance. Dr. Eric Lander commented that there are two parts to the budget discussion: sources and uses -- increasing funding at the source and allocating use of funds. In terms of sources, the message must be clarified (i.e., define what a "flat" budget really means in terms of purchasing power; suggest specific exciting initiatives to Congress). In terms of allocating uses, a unit is required that will allow the designation of portfolio segments as more or less productive. The assessment may be both subjective and objective but in all cases will require justification to the rest of the scientific community. Dr. von Eschenbach is open to input from this Subcommittee as to the effective use of NCI's resources.

Much discussion centered on the need to establish metrics and to present the NCI portfolio in the most meaningful way. Dr. von Eschenbach replied that metrics are needed, but the NCI is conducting an analysis to identify all of the portfolio components. Measuring the productivity of these components across Institutes, however, remains a challenge. Dr. Prendergast commented that the measure should be based on return on investment rather than productivity.

Dr. von Eschenbach emphasized that NCI's \$4.8 billion budget does not encompass all of the cancer research in the United States. The NCI should support initiatives that enable other

investments to be leveraged. NCI's intramural research program must be redefined to nurture and add value to the rest of the cancer community. Rather than duplicating the research already in progress, NCI's intramural program should be unique from the larger cancer community.

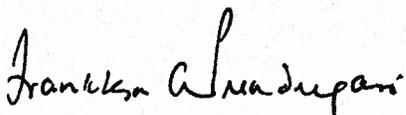
Dr. von Eschenbach discussed "retooling" the communications infrastructure at the NCI. Communication to patients and medical professionals has been improved; however, effectively telling the NCI story is not yet in place. An effort also is being made to communicate to the public more effectively.

Action Items and Next Steps

The participants agreed on the following action items:

- Subcommittee members will use the 1-hour afternoon session at the full NCAB Meeting to synthesize a set of priorities, with clear recommendations on how to approach those priorities.
- Subcommittee members will develop a timetable for the next 4 months before the next NCAB Meeting.
- Subcommittee members will encourage new membership.
- Subcommittee Liaison representative from both the BSA and BSC is desired.
- Dr. von Eschenbach will prepare a presentation for the Subcommittee on the tools currently being developed for portfolio assessment, and evaluation.

The meeting was adjourned at 9:20 p.m.

	
<u>Dr. Franklyn Prendergast</u>	<u>Ms. Cherie Nichols</u>
Chair	Executive Secretary
<u>2/16/05</u>	<u>2/16/05</u>
Date	Date

