

H. car. - Diabetes

MEMORANDUM

May 5, 1997

TO: Bruce Reed
FR: Chris Jennings
RE: Meeting on Diabetes and AIDS vaccine

Today we are meeting with Kevin Thurm and Nancy-Ann Min to discuss possible new Presidential investments and announcements on the AIDS vaccine and diabetes. In this meeting, we will discuss possible options for a new investment or some other type of Presidential involvement in stepping up effort towards finding an AIDS vaccine, including proposals that Secretary Shalala intends to send into the President following the meeting. We will also discuss a possible investment in diabetes research and prevention strategies. (Nancy-Ann and I have already discussed our proposed \$50 million with Kevin and today he will report back on the Department's reaction.)

Diabetes

Nancy-Ann and I have been looking into the possibility of a \$50 million investment in diabetes for FY 1998. \$30 million of this investment would be allocated to research at the National Institutes of Health (NIH). An additional \$20 million would be allocated to enable the Centers for Disease Control (CDC) to develop comprehensive prevention programs in all 50 states.

There is some evidence that diabetes research at the NIH is currently underfunded. While there is a great deal of debate in the public health community as to how best to evaluate whether a specific disease is adequately funded, investments in diabetes as a portion of overall cost of this disease (a fairly typical form of measurement) is far lower than many other diseases, including heart disease, cancer, and AIDS.

We would not specify what type of research this \$30 million of funding would go towards (i.e. clinical or basic). NIH would have the flexibility to invest the money as they see fit. Nevertheless, Dr. Varmus has clearly stated his opposition to this additional funding (both to me and again to Kevin). He opposes the concept of earmarking funds in general, arguing that these kinds of decisions should be based on purely scientific grounds rather than politically motivated. He also has argued that Congressional appropriators strongly oppose this type of earmarking. That being said, moving in this direction will clearly be an explicit decision to override him.

We are also proposing to invest \$20 in CDC, which would enable them to expand their current core prevention programs to comprehensive programs in all fifty states. Unlike with NIH, CDC believes that this money could make an enormously positive contribution to their program. Currently, CDC runs a "core" diabetes prevention in all fifty states, which consists of a few staff members and some basic outreach strategies in certain areas of the state to help people already diagnosed as diabetics avoid some of the costly, and often avoidable, side effects of this disease. Core programs have usually identified a plan for statewide outreach, but have not been able to fully implement the plan due to limited resources. By investing an additional \$20 million (over the \$36 million proposed in the President's FY1998 budget -- already a \$10 million increase over FY 1997), CDC will be able to expand all of their programs to comprehensive nationwide programs, with a far more expansive staff with more outreach capabilities throughout the state.

This additional funding would also enable these prevention programs to target populations that are at risk for diabetes, but have not yet been diagnosed with the disease. This kind of outreach is extremely important for two reasons: first, of the approximately 16 million Americans who have diabetes, only eight million have been diagnosed, meaning that millions of Americans live for years unaware that they are suffering from this disease; second, diabetes can have extremely costly, serious complications which often lead to death, amputations, heart attacks, etc. Many people do not learn they suffer from this disease until they experience one of these dangerous complications. However, studies (including an recent clinical trial at NIH) have shown that when this disease is recognized and properly treated, these side effects are largely avoidable.

When CDC made their wish list of how they might spend additional resources, they stated that expanding core programs in the states was their top priority. However, they also stated a preference for investing some of the new dollars in some of their other programs, including their new National Education Action Plan (\$2-\$5 million) which is designed as a public education program to target different audiences, including people with diabetes and others at risk for this disease as well as providers and the general population. They have also asked for additional funding for public health surveillance (\$2-\$5 million) and conducted applied research (\$2-\$5 million). We chose to fund only the state programs because it was CDC's top priority and because a \$20 million investment is enough for CDC to implement comprehensive state plans in all fifty states (according to OMB's estimates).

If we choose to make this kind of an investment, we could announce it at the American Diabetes Association's nationwide conference on June 22 in Boston. This site would be particularly appropriate because CDC intends to announce their National Education Action Plan at that meeting as well. We also need to make a decision as how best to propose this increase, whether it be through a budget amendment, the budget negotiations, or some other avenue. With regard to NIH, we will need to make a decision as to whether this funding would come from an additional investment or from existing NIH funds in the President's proposal.