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## Washington Update

June 16, 2014

### IN THIS UPDATE:

**Senate Labor-HHS-Education Appropriations Subcommittee Passes Spending Bill**

**Rockefeller Introduces Bill to Extend CHIP**

**Franken Introduces “Kid Glitch” Legislation**

**Advocacy Groups Launch “Mind the Tap” Campaign**

**Friends of NICHD Hold Hearing, Honor Yvonne Maddox**

**Report Released on Future of BRAIN Initiative**

**NIH Report Indicates Low Numbers of Physician Scientists**

### **Senate Labor-HHS-Education Appropriations Subcommittee Passes Spending Bill**

On June 10, the Senate Labor-HHS-Education Appropriations Subcommittee passed its FY 2015 spending [bill](#) by voice vote. The bill would provide \$156.8 billion in total discretionary budget authority for Labor-HHS-Education programs, including \$265 million in flat funding for the Children’s Hospital Graduate Medical Education program and \$30.5 billion for the National Institutes of Health (NIH), an increase of \$605 million that would fully replace the cuts to the agency under sequestration. The bill would also increase funding for the Vaccines for Children program and would provide a sizeable increase to Head Start funding.

The bill, however, does not provide funding for the Pediatric Subspecialty Loan Repayment program, which the subcommittee included in its FY 2014 spending bill, and would defund the Public Health Services (PHS) Evaluation Set-Aside or “evaluation tap” (see below), instead providing direct funding to programs such as the Agency for Healthcare Research and Quality (AHRQ). Markup by the full Senate Appropriations Committee, originally scheduled for June 12, has been postponed.

## **Rockefeller Introduces Bill to Extend CHIP**

Sen. Jay Rockefeller (D-W.Va.) introduced the Children’s Health Insurance Program (CHIP) Extension Act of 2014 on June 11. Unless extended, funding for the CHIP program is scheduled to expire on September 30, 2015. The new [legislation](#), supported by the [AAP](#), provides an extension of the CHIP program through 2019, and gives states new incentives to enroll CHIP-eligible children who are still uninsured while improving services for pregnant women.

Since its creation in 1997, CHIP has provided health coverage for children and pregnant women who earn too much to qualify for Medicaid but are unable to afford private health insurance. Since its creation the number of uninsured children has declined from 25% in 1997 to 13% in 2012. Further, CHIP offers more comprehensive care for the unique needs of developing children as compared with coverage through the Affordable Care Act exchanges, with nearly two million children dependent on the benefits offered under the program. At this time, there is no companion legislation in the House.

## **Franken Introduces “Kid Glitch” Legislation**

Sen. Al Franken (D-Minn.) introduced the Family Coverage Act (S. 2434) on June 5, which would clarify rules under the Affordable Care Act (ACA) that would define employer-sponsored coverage unaffordable for families, allowing families who cannot afford the health insurance available through their employers to access tax credits to purchase more affordable health coverage. Under the ACA, large employers with 50 or more full time employees must offer comprehensive, affordable health insurance to their employees. An Internal Revenue Service (IRS) interpretation of the affordability provision of employer-sponsored coverage states that if an employee’s share of insurance premiums for individual coverage costs less than 9.5 percent of family income, the coverage is deemed “affordable” and the employee is ineligible for tax credits to supplement the purchase of health insurance through the ACA marketplaces for either individual or family coverage. Unless this interpretation, also known as the “kid glitch,” remains unaddressed, it is estimated that 460,000 children could be left uncovered. The AAP-supported [legislation](#) would modify the provision and grant tax credits to families whose share of employer-sponsored *family* coverage would exceed 9.5% of family income.

## **Advocacy Groups Launch “Mind the Tap” Campaign**

On June 2, the Friends of the Agency for Healthcare Research and Quality (AHRQ) and the Friends of the National Center for Health Statistics (NCHS) launched a public education campaign regarding the Public Health Service (PHS) Evaluation Set-Aside, also known as the “[evaluation tap](#).” The evaluation tap, established in 1970, is a budgetary mechanism that authorizes the Secretary of Health and Human

Services to “tap” 2.5% of the annual eligible program appropriations from the National Institutes of Health (NIH), the Centers for Disease Control and Prevention (CDC), the Health Resources and Services Administration (HRSA), and the Substance Abuse and Mental Health Services Administration (SAMHSA) to fund or partially fund several important public health functions, including the AHRQ and half of the NCHS budgets. There has been recent concern in Congress that the tap is removing crucial funding from the NIH and other agencies, and that the amount of money available for these agencies is lower than actual authorized appropriations. The “Mind the Tap” campaign aims to preserve the tap or, if eliminated, to urge an alternative funding source to keep these important public health resources functioning.

## **Friends of NICHD Hold Hearing, Honor Yvonne Maddox**

On June 9, the Friends of the Eunice K. Shriver National Institute of Child Health and Human Development (NICHD) held a Congressional hearing to honor the work and service of Yvonne Maddox, MD, PhD, who served at the NICHD for 19 years, most recently as Deputy Director, and is now the Acting Director of the National Institute of Minority Health and Health Disparities (NIMHD) at the National Institutes of Health (NIH). Dr. Maddox is a leader in the field of health disparities research and directed the both the Back to Sleep campaign at the NIH, which aims to reduce the occurrence of Sudden Infant Death Syndrome (SIDS), and the NIH Down Syndrome Consortium. The hearing also served to highlight recent work at the NIH on disparities research, including access to healthcare for minorities, childhood obesity, and the prevention of SIDS in minority populations. The announcement soliciting applications for the Deputy Director slot at the NICHD closed in March, with a hiring timeline of early fall.

## **Report Released on Future of BRAIN Initiative**

The Advisory Committee to the Director (ACD) presented a [report](#) to National Institutes of Health (NIH) Director Francis Collins, MD, PhD on June 5 outlining the long-term scientific vision of the Brain Research through Advancing Innovative Neurotechnologies (BRAIN) Initiative. The report maps out a commitment of \$4.5 billion in sustained federal funding over 10 years starting in Fiscal Year (FY) 2016. The Initiative will receive a majority of its funding from the NIH, which announced an investment of \$40 million in FY 2014, with the President’s budget calling for an additional investment of \$100 million from the agency for FY 2015. The BRAIN Initiative is also slated to receive funding from the Defense Advanced Research Projects Agency (DARPA) and the National Science Foundation (NSF). Dr. Collins accepted the recommendations of the working group. The BRAIN Initiative seeks to map out the neuronal pathways of the brain and to study how electrical and chemical activity relates to the functioning of the brain, with potential applications including understanding learning disabilities in children and tracking the progress of Alzheimer’s disease in adults.

## **NIH Report Indicates Low Numbers of Physician Scientists**

On June 6, the Advisory Committee to the Director (ACD) at the NIH released a [report](#) indicating that the number of physician scientists has been declining over the past decade. The report was the culmination

of a 2012 study led by Princeton University scientist Shirley Tilghman to look at the composition of the U.S. biomedical workforce. The report indicated that the number of physicians conducting research has declined 5.5% since 2003, and that while the number of principal investigators in their 60s and 70s has increased drastically in recent years, the number of investigators under the age of 60 has declined steadily. The ACD recommended that the NIH increase the number of research training programs and place greater weight on proposals from younger scientists. The Committee also recommended creating a category for physician scientists in its series of two-stage awards that include training and research support.