

## **Advocacy Action Alert**

The AAMC has circulated an action-item on their advocacy listserv that should be of interest to pediatric advocates:

### **Medicare GME**

Congress and the Obama Administration are discussing a deficit reduction proposal that could **cut up to 60% (\$60 billion) in federal GME support** and jeopardize residency training programs across the country. The deadline for the Joint Select Committee on Deficit Reduction (JSC) to present its deficit reduction plan to Congress is Wednesday November 23.

As soon as possible, please visit the AAMC Legislative Action Center (<http://capwiz.com/aamc/home/>) to send a pre-formatted electronic letter to your Senators and Representatives **urging them to oppose GME cuts as part of deficit reduction**. Please use your personal (not work) computer to communicate with Congress.

If you reside in **Arizona, California, Washington State, Massachusetts, Ohio, Pennsylvania, Montana, Michigan, Maryland, Texas, or South Carolina**, it is particularly important to voice your concern, since you are represented by members of the "Super Committee" that will finalize the deficit reduction plan.

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## **Talking Points on NIH Salary Cap November 2011**

### **Background**

Every year since 1990, Congress has legislatively mandated a provision limiting the direct salary that an individual may receive under a grant from the National Institutes of Health (NIH).

The salary cap has been set at Executive Level I since FY 2001.

For FY 2011, the Department of Defense and Full-year Continuing Appropriations Act of 2011 (Public Law 112-10) restricted the amount of direct salary to Executive Level I of the Federal Executive Pay scale, which is \$199,700 in 2011.

The Executive Level rates for FY 2011 were frozen at FY 2010 levels, thus there was no dollar increase in the level of the cap in FY 2011.

Since the Federal government imposed the salary cap on extramural researchers in 1990, medical schools and teaching hospitals have been increasingly forced to bear more of the costs of physician-scientists' and other investigators' salaries.

### **Current Proposals**

The FY 2012 Labor-HHS-Education Appropriations bill (S. 1599) approved by the Senate Appropriations Committee on September 21 would retain the salary cap at Executive Level I.

The draft FY 2012 Labor-HHS-Education Appropriations bill (H.R. 3070) introduced by Labor-HHS Subcommittee Chair Rehberg would reduce the salary cap to Executive Level III (\$165,300 in 2011).

- The Rehberg proposal represents a cut of \$34,400 (17.2 percent) from the current salary cap.
- The Rehberg proposal comes at a time when discretionary funds from clinical revenues and other sources are increasingly constrained and less available to invest in research.

### **Consequences of Reducing the Salary Cap**

A high priority for the nation's medical research effort, affirmed by the Congress, is strengthening clinical and translational research. The dynamic health needs of the nation call for ensuring the recruitment and retention of the nation's most talented and productive group of investigators including Ph.D. trained scientists and physician scientists.

Reducing the salary cap would disproportionately affect physician investigators and serve as a deterrent to their recruitment into research careers at a time when the United States is committed to improving the health of the nation and remaining globally competitive in research and technology.

Reducing the salary cap also would particularly disadvantage the most productive investigators who likely dedicate the majority of their time in research and who have a sustained track record in breakthrough discoveries.

Maintaining the salary cap at Executive Level I will preserve a level playing field between extramural investigators and intramural NIH scientists who are eligible for Executive Level I salaries under the Senior Biomedical Research Service (SBRS).