

The ACA's Impact on Ophthalmic Research

BY RANDALL J. OLSON, MD

In discussing the forthcoming effects of the Affordable Care Act (ACA), we must consider a key event in how this bill initially came together. In 2009, when Democratic Senator Ted Kennedy died, Republican Scott Brown was elected in his place, jeopardizing the Senate Democrats' filibuster-proof super-majority. If the House made any changes to the legislation, the Senate would not have had the number of votes needed to pass the amended bill. For that reason, they had to accept a version of the bill without any changes.

It is hard for us to know where the ACA is going to evolve when, clearly, those involved in the development of the bill already had several significant variations that they wanted to put into place and could not. It is important, however, to consider how the ACA could affect our specialty, including ongoing and future ophthalmic research. We need to evaluate how the ACA and ophthalmic research may come together in a positive or negative way.

FUTURE OF FUNDING

As those of us involved in trying to enhance and grow academic research capabilities know, National Institutes of Health (NIH) funding, as a percentage of the gross domestic product (GDP), keeps dropping. From its heyday in the later 1960s into the '70s and even in the early '80s, that number is now half of what it was. In addition, even if a grant is approved in time, there are always a few months during which the NIH says it not prepared to provide the funds yet, and researchers have to be in a place to cover that. We can no longer cover ourselves well even with a couple of grants. My experience is that, at best, we can cover 80% of actual costs from grants alone.

What will not be funded are pilot studies and gap funding, which amounted to well over \$1 million in just the past 12 months for The Moran Eye Center. This is, I think, a tragic situation. It is discouraging to many of the best and brightest who wanted to pursue academic research. I see senior members who have been successful for years and are well regarded in the field, and they are not getting funding. I think we are facing a research crisis. We are going to see some of our greatest and most intelligent contributors no longer be practicing in this area.

I am also concerned about the United States losing its competitive edge. Many other countries are now spending a greater percentage of their GDP in basic research than we do, and this trend shows us falling further behind unless we respond, with the track record to date not encouraging. Sadly, if you think industry is prepared and ready to step up, this is not the case. We have seen some dramatic cutbacks in research from several of the major groups that are involved in providing new ophthalmic products. Valeant Pharmaceuticals, in its purchase of Bausch + Lomb, has been fairly vocal about not "wasting" a lot of money on basic research and development.

OUTCOMES RESEARCH

So how might the ACA and research come together? The general rule of thumb is that we will have a hard time figuring out how to have enough money to pay for any and all of government's needs. If A gets funded a little more, then B and C are crowded out; if you are going to try to add funding anywhere, you are going to have to figure out how you are going to pay for that.

In my opinion, the funding of our core basic research, which is our feedstock for the future, is not being invested and not being taken seriously. It is likely that the ACA will be very much involved in increasing the priority of outcomes research. Those are important research models—many of us involved in academic research are definitely targeting that as a critical area—and we may indeed see some new funding opportunities there.

Budget priorities are obviously a huge issue. We do not yet know exactly what the ACA will cost. There are different projections, many of which predict cost savings, but it is really too soon to say. This legislation, in particular with the very stormy rollouts occurring, most definitely results in a great deal of uncertainty.

Further, if we do not encourage the healthy, so-called *young and invincible*, to enroll in health insurance plans, and instead we have the only people willing to fight through the system enroll, we are likely to load the system with the unhealthy and those who require a lot of care (adverse selection). So, unfortunately, we may watch insurance prices go

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up dramatically, further discouraging the young and healthy from enrolling and, as a result, see some very negative consequences. Rising insurance costs may be the greatest issue we face, and this is being spurred by partisanship, rather than what is in the public's best interest. Many politicians are fighting over the ACA to make it an issue they can potentially use for reelection instead of trying to fix the issues at hand.

As stated previously, we will likely get more funding for outcomes research, but why? Because it does not make up much of the general overall cost of health care. If you can show that these projects actually result in overall savings, Congress *might* be smart enough to reinvest part of these savings into additional outcomes research.

However, outcomes research is never going to yield the next major breakthrough in glaucoma or the next major treatment for age-related macular degeneration—it is just not the nature of the beast. Instead, it is going to be an engineering process that slowly improves. Although outcomes research is important, I do not think we should totally take away from our basic research investment. Outcomes research funding could rival current NIH dollars if there is evidence that these kinds of projects are throwing enough savings into the system.

I am a big believer in the Law of Unintended Consequences. We do not know enough to say where the ACA is going and what impact it may have. I am a member of a Blue Cross Blue Shield board. At a recent retreat, another member who is considered a health care guru said, "Anybody who says they know what this is going to look like in 2 years is either an idiot or a liar." The ACA and its effects all depend on the cost balances. Maybe we will see some savings, and the bill may not be negative, but if there are a lot of additional costs going into the system, it could really hurt our research situation.

CONCLUSION

The ACA is a moving target that is evolving slowly and, sadly, not too well at the present time. This legislation could increase some research funding; however, I think it may crowd out traditional types of research, favoring outcomes-type research and reengineering. We will have to stay tuned and watch this very carefully because, one way or another, I think we are going to see major change going forward. ■

Randall J. Olson, MD, is Chairman of the Department of Ophthalmology and Visual Sciences and CEO of the John A. Moran Eye Center, University of Utah School of Medicine, Salt Lake City. Dr. Olson has no relevant financial interests to disclose. He may be reached at +1 801 585 6622 or randallj.olson@hsc.utah.edu.

