



Take a SWOT at the Federal Budget

Creating an unsustainable strain on the nation's productivity—exacerbated by years of inaction on entitlement programs and questionable domestic policies—the growing imbalance of revenues and expenses, places the nation in jeopardy of economic and social upheaval. This is not the nation of Greece that we are talking about here! It is clear that to continue business as usual has the potential to bankrupt our nation. The United States Congress is grasping at straws and political posturing leaves Senators and Representatives alike coming up empty-handed in attempts to forestall an economic melt-down.

Total federal spending in 2010, mandatory and discretionary, was \$3.5 trillion. The Congressional Budget Office (CBO) estimates that mandatory spending, which includes Social Security, Medicare and Medicaid, accounts for 55 percent of federal spending. Interest on our debt costs us 6 percent of the federal budget. Discretionary defense spending costs us 20 percent of the federal budget. This leaves just 19 percent for non-defense, discretionary spending or in short, everything else! Nineteen percent of \$3.5 trillion is a lot of money, about \$670 billion. This amount of money funds all of the federal programs of interest to academic pharmacy that support your teaching, research and service activities.

Many newly-funded programs are a result of the passage of the Patient Protection and Affordable Care Act (PPACA) including the creation of the Center for Medicare and Medicaid Innovation and its new initiative, the Partnership for Patients program. For the first time in legislative history there is a funded focus on creating a healthier America through the Prevention and Public Health Fund.

Existing federal programs of interest to academic pharmacy include all the federal public health agencies including the National Institutes of Health, Centers for Disease Control and Prevention, Health Resources and Services Administration, and Food and Drug Administration. Each of these agencies supports research activities of pharmacy faculty and provides service opportunities through the advisory groups and grant review committees, which are integral to the ongoing work of the agencies. In the last few years congressional action

has led to reduced funding for many agencies while the benefits of research they support have never been more highly recognized and important to society.

The quality of higher education remains a high priority within the Department of Education. The current public policy regarding the value of higher education did not end with the Spellings Commission. Issues related to program integrity, including state authorization of distance education programs, transfer of credit and an ongoing spotlight on accrediting agencies themselves requires constant vigilance by institutions to maintain compliance with changing departmental rules to avoid the loss of access to Title IV student financial assistance programs. Job attainment is almost entirely the federal expectation of higher education.

Continued concern about the increasing costs of higher education compared to the value of that education make it difficult to build support for student financial assistance programs. The Pell Grant is the federal financial assistance program seemingly worthy of congressional support. Health professions education, once seen as immune to public policy implications, now faces similar expectations for contributing to the national deficit discussion. Recent action resulting in the passage of the Budget Control Act has eliminated the in-school interest subsidy for graduate and professional students with federally subsidized loans.

The outlook for federal funding in the coming years, including FY13, for programs of interest to academic pharmacy remains dismal. Expectations that federal funding for FY13 would be reduced were verified when the Office of Management and Budget (OMB) released its budget guidance to federal agencies. "Unless your agency has been given explicit direction otherwise by OMB, your overall agency request for 2013 should be at least 5 percent below your 2011 enacted discretionary appropriation. As discussed at the recent Cabinet meetings, your 2013 budget submission should also identify additional discretionary funding reductions that would bring your request to a level that is at least 10 percent below your 2011 enacted discretionary appropriation."

So, what does academic pharmacy want out of the federal budget? Reduced federal expenditures certainly provide plenty to be threatened by, but what about the opportunities that an environment short on policy and long on politics offer?

If you were to undertake a quick SWOT analysis, what would you list as the Academy's strengths and weaknesses in dealing with this public policy threat? Here are a few that I can list and I am interested in hearing YOUR ideas. We need your input to help develop the next policy agenda for AACP. Send your input to Will Lang at wlang@aacp.org.

Strengths: clear commitment to education quality; well articulated educational outcomes; biomedical research capacity frequently developed in a collaborative, interprofessional manner; commitment to interprofessional education; patient-focus, and prevention and wellness integration in the professional curriculum.

Weaknesses: Limited recognition by others of your strengths; poor level of member contribution to AACP policy interests related to education and health; poor record of engagement in federal initiatives and programs that are not easily identified as pharmacy-centric.

Opportunities: Public policy interest in changing the way students receive education; need for innovation to actually improve the quality of education, not just innovation for innovation's sake; program and course assessment approaches that are transparent and establish accountabilities; need for health-system to be reorganized around health professionals competent to deliver patient-centered, team-based care, supported by informatics and dedicated to quality improvement; recognition that poor medication management costs our health-system billions of dollars annually; increasing expectation that prevention and wellness care trumps the value of care after you are sick; the burden to society in terms of productivity and cost resulting from chronic illness.

Threats: Public perception that education is just about jobs; politics that devalue education as a benefit to society in the context of an enlightened citizen; apathy amongst faculty and students in regard to engagement in personal, professional or organizational advocacy; cost cutting as the only remedy to reducing the federal deficit; revenue increases as a non-starter to deficit discussions.