



AMERICAN ASSOCIATION OF
COLLEGES OF OSTEOPATHIC MEDICINE

OFFICE OF THE PRESIDENT

February 15, 2013

Dear Member of Congress:

On behalf of the American Association of Colleges of Osteopathic Medicine (AACOM), which represents the nation's 29 colleges of osteopathic medicine, offering the doctor of osteopathic medicine (D.O.) degree at 37 locations in 28 states, I am writing to convey the devastating impact of the automatic across-the-board cuts mandated in the Budget Control Act of 2011 and to strongly urge you to explore every available alternative to sequestration. I understand there is a growing sense of inevitability among Members of Congress that sequestration will be triggered at least for the short-term time ahead, but that many of the cuts will be restored or reduced in a future broader budget deal. I strongly urge you to reject that option and work toward a solution before the sequestration deadline of March 1, 2013. Even a short period of indiscriminate across-the-board cuts would be enormously disruptive to programs that are vital to our ability to continue training our nation's physician workforce.

Osteopathic medical schools and the broader osteopathic medical education (OME) community understand the dire economic situation our nation faces and the need to make hard choices to return our country to sound fiscal footing. While these important economic concerns must be addressed, it is critical that the process be judicious and that cost-effective programs be preserved. The cuts mandated by sequestration will be especially harmful to our country's osteopathic medical schools and the future physicians they train. Since osteopathic medical schools are committed to training future physicians to provide quality health care for many underserved and rural communities, the ultimate impact of these cuts will be to reduce patient access to care, and to increase, not decrease, health care costs for vulnerable populations.

As you know, Medicare provides the principal funding for the training of medical residents. The automatic two percent reduction in Medicare mandated by sequestration will have an adverse impact on hospitals with teaching programs for physician residents and on the patients who rely on them for care. Cutting any funding for Medicare-funded graduate medical education (GME) will further exacerbate the physician workforce shortage and patient access to care.

In addition to the two percent provider cuts in Medicare, the indiscriminate 8.2% cut to program funding levels in most non-defense discretionary programs will also significantly impact osteopathic medical schools and the students they train. Additional programs that will be adversely affected include, but are not limited to, the below.

- The Health Resources and Services Administration (HRSA) funding would drop by over \$600 million. Cuts to the Title VII health professions programs related to primary care training in HRSA will take an already insufficiently funded program and diminish it

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further. With 32 million new patients entering the health insurance system as a result of the enactment of the Affordable Care Act (ACA), this is not the time to cut resources and support for future physicians; as a result, these cuts will greatly impact patient care.

- According to the Health Professions and Nursing Education Coalition, the results of these cuts would include 14,040 fewer health professionals trained; 22,592 fewer health care providers receiving continuing education on cultural competency, obesity, health disparities, and other related topics; 6,240 fewer children receiving dental screenings and preventive services; and 4,500 fewer underserved and uninsured seniors receiving care in acute, ambulatory, or long-term care settings.
- Cuts to the National Institutes of Health (NIH) will stifle medical discoveries that save lives and help drive the nation's economy through well-paying technology jobs. NIH supports researchers in every state across the nation and in many colleges of osteopathic medicine (COMs) that AACOM represents. Every state will be subjected to sequestration's devastating impact.
 - According to NIH Administrator Francis Collins, M.D., Ph.D., NIH would have to cut 6.4 percent from its budget if the sequestration mechanism triggers March 1 and that as a result, research grants will become more limited to researchers at universities and medical schools.
 - The U.S. Department of Health and Human Services projects that NIH could potentially eliminate 2,300 new and competing grants, with nearly 300 fewer grants issued by the National Cancer Institute.
- Among the other federal programs of support to the OME community that are facing serious cuts by sequestration are community health centers, the Centers for Disease Control and Prevention (CDC), the Office of Rural Health Policy at HRSA, the National Health Service Corps and other scholarship and loan repayment programs, and the Substance Abuse and Mental Health Services Administration. In addition, virtually all of the programs at the U.S. Department of Education (USDE) that provide necessary federal financial aid to osteopathic medical students will face grave cuts, which further threatens the future physician workforce.
 - As a result of sequestration, the USDE would receive a total cut of over \$4 billion in fiscal year 2013. And according to the Center on Budget & Policy Priorities, under sequestration, education funding will be subject to cuts ranging from 9.1% (in 2013) to 5.5% (in 2021).
 - Sequestration would also force the CDC to cut support for every state in the country, reducing support by more than \$200 million. The CDC has concluded that life-saving immunizations would be denied to children and adults; and public health programs that protect entire communities by reducing vaccination disparities would be cut.

Again, AACOM strongly urges you to reject sequestration and work toward a balanced solution. As illustrated above, even a short period of indiscriminate across-the-board cuts would be enormously disruptive to programs that are critical to medical schools' abilities to continue training the nation's future physician workforce. We stand willing and ready to work with you on these critical issues.

Respectfully,

A handwritten signature in black ink, appearing to read "SC Shannon". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Stephen C. Shannon, D.O., M.P.H.
President and CEO