

Republican Budget Proposals

Touted as Effective Reformer, NASA Chief Draws the Line

W Post
5-15-95

By Kathy Sawyer
Washington Post Staff Writer

NASA Administrator Daniel S. Goldin, famed as a happy warrior in the movement to reinvent government, says he has had enough.

Last week, just as NASA managers were finishing plans for a major restructuring to comply with a 12 percent reduction ordered by the White House in January, House Republicans delivered a budget proposal to cut the agency by "a factor of two" more. That's on top of a five-year reduction of 31 percent already in progress.

"I'm going to fight it," said the normally exuberant Goldin in an interview Friday. After he read about the Republican proposal in the paper Thursday morning, he added, "I couldn't get out of bed, I was so frustrated."

Goldin declined to give details of how the cuts might affect the agency. But another NASA official familiar with the budget figures said managers would be forced to consider cancellation of a major program, or close a major NASA facility, at the same time they are carrying out a demanding space shuttle launch schedule that includes a series of joint missions with the Russians.

According to a NASA memo that offers a "quick look" assessment of the impact, the only alternative way to achieve this magnitude of cuts would be to lay off a total of almost 75,000 contractor and civil service employees around the country (that represents all cuts combined, and compares with 55,000 in lost jobs under the existing plan).

That would mean cuts of as much as 95 percent of the work force at some major NASA facilities, it says. The memo had not yet been submitted to Goldin, said the NASA official who provided it to The Washington Post.

The House cuts also would take effect earlier, in fiscal 1996, and would "force immediate action," while the White House plan would delay the bulk of the reductions until later in the decade, permitting the agency to address the reductions

"systematically beginning in 1997," the memo states.

The House calls for a \$2.5 billion cut and radical "restructuring" of NASA's \$7 billion Mission to Planet Earth, which is to launch several small spacecraft to study global change. The project is favored by Vice President Gore, environmental scientists and key members of Congress.

NASA officials indicated the reduction effectively would gut the program and, one said, "we are willing to fall on our swords" to save it.

"Americans have to decide whether they want to have a space program," Goldin said. If the newest cuts are sustained, he said, "the next step is to shut it down."

He paused and said, "I shouldn't have said that." But he added, chopping his hand against the table top, "This work force has been whipsawed for too long. . . . We've got to stop this continual cutting by the yard."

His complaint carries more weight than the usual outcry that inevitably arises whenever an agency's ox is gored. Goldin took over NASA during the Bush administration as an avowed reformer, and even critics of his sometimes abrasive style acknowledge that his tenure has produced changes in culture, management and philosophy that once were deemed impossible in the hidebound bureaucracy. The White House touts him as a model for reinventing government.

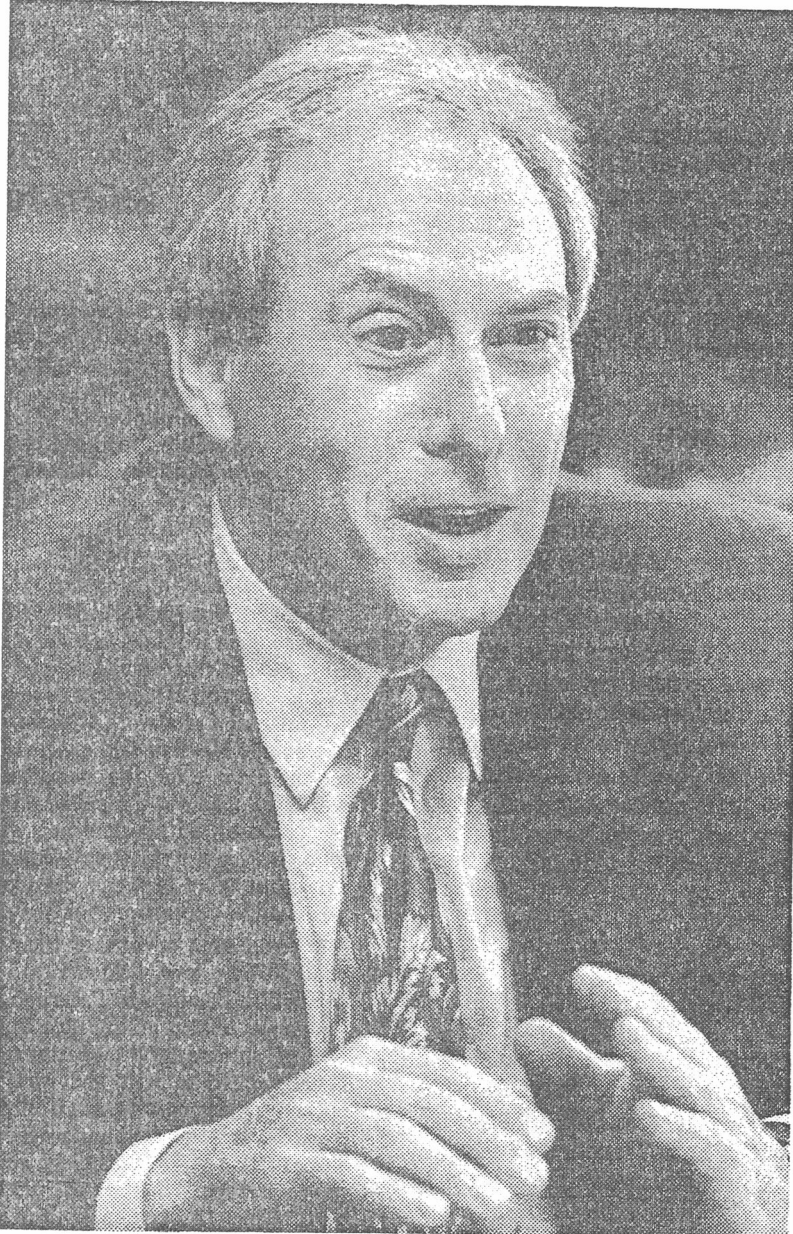
His strategy is to cut what he calls "infrastructure"—jobs and facilities—rather than programs.

Cutting programs in an agency like NASA is like stealing from the future, Goldin said. "What you want to do when you've got budget problems is step on the gas in research and development and put on the brakes" in the old "safe" parts of the budget, such as "the pork."

To protect the "old stuff" defeats the very purpose of budget cutting, he said, because research and development make possible the savings of the future.

He pointed to his "smaller, cheaper, faster" approach to spacecraft development. NASA has reduced the

Put Cost-Cutting



BY CRAIG HERNDON—THE WASHINGTON POST

After reading about the Republican budget proposal, NASA Administrator Daniel S. Goldin said, "I couldn't get out of bed, I was so frustrated."

average cost of developing a science spacecraft from almost \$600 million to \$200 million and, with the help of an advanced technology program, expects to shrink that to \$85 million near the turn of the century.

If the technology programs are curtailed, he said, "we'll condemn the future NASA to \$200 million spacecraft instead of \$85 million." The same principle, he said, extends to other fields such as nano-electronics, software and aeronautics.

The agency is to report to Congress the outline of its planned restructuring late this week. The exercise included a review, "bellybutton by bellybutton," of every job in the

agency, Goldin said. "I was so proud of the team. . . . We had attacked every sacred cow at NASA."

Goldin declined to comment on the details of the planned restructuring. But another agency source said it would achieve savings of \$4.5 billion (instead of the goal of \$5 billion) and spread the pain equally among NASA's facilities around the country without closing one.

A key Republican House aide said of NASA's efforts, "If they can achieve \$5 billion without cutting programs, that means there was still more they could cut. Our position is, come show us the \$5 billion, and we'll show them the rest."

Initiatives at Risk

House Would Kill New Agency Comparing Medical Treatments

By David Brown
Washington Post Staff Writer

It doesn't take long to go from being a solution to waste to simply waste.

That, at least, is the congressional budget committees' view of the Agency for Health Care Policy and Research. The \$162 million agency is the government home for "medical effectiveness research."

When it was created by Congress in 1989, the AHCPR was viewed as an essential tool in the effort to control medical costs without damaging medical care. Last week, the Senate Budget Committee proposed cutting its budget by 75 percent, and the House Budget Committee said it should be eliminated altogether.

AHCPR was launched with the great hope—much of it enunciated by politicians—that it would help the country cut health care costs painlessly by comparing competing treatment strategies to see which works best, and at the least cost.

Over the last five years, the agency has sponsored 20 Patient Outcomes Research Teams (PORTs), each headquartered at a different hospital or university, which studied such topics as back pain, schizophrenia, prostate enlargement, knee joint replacement, cataracts, breast cancer and heart attack.

The teams reviewed the published medical literature on the topic, delineated the variations in treatment, attempted to uncover links between specific treatments and patient outcome (often using large data banks kept by Medicare or private insurance companies), and occasionally devised new tools. For example, the prostate PORT created a video to educate patients about what to expect with certain treatments—including no treatment—and formally incorporated the tool into medical decision-making.

Recently, AHCPR has begun funding randomized controlled trials, which are generally the best way to compare one treatment with another. The topics are ones unlikely to appeal to the National Institutes of Health, where new therapies, not old ones (or low-tech ones), are the

preferred subjects of clinical research.

AHCPR trials, for instance, are comparing chiropractic treatment to physical therapy in low back pain; testing a mathematical equation that identifies which patients are most likely to benefit from "clot-busting" drugs for heart attacks; and comparing homemade vs. commercial rehydration fluids for children with diarrhea.

The agency also has sponsored 15 "clinical practice guidelines," which, based on the best medical evidence, suggest how to treat such common (and unexotic) problems as cancer pain, urinary incontinence and chronic ear infections.

In a recent example of that program's effects, researchers at Intermountain Health Care System in Utah reported they had cut the incidence of bedsores in high-risk (generally paralyzed) patients from 33 percent to 9 percent at LDS Hospital in Salt Lake City, after implementing a modified version of AHCPR's guideline on pressure ulcers. Incidence of ulcers—which cost an average of \$4,200 to treat—also fell among lower-risk patients, and the hospital estimated the annual savings will be at least \$750,000.

"To defund a relatively modest effort like that at a time when the questions they need to answer are becoming even more critical doesn't make a lot of sense to me," said Jay Crosson, an executive in charge of quality assurance at Permanente Medical Group, the physician organization of the Kaiser Permanente health maintenance organization (HMO). "There's a lot more work that needs to be done than even AHCPR can fund."

In explaining its recommendation of a 75 percent budget cut, the Senate Budget Committee said AHCPR "was to be the primary administrator of comprehensive health reform."

This, however, is not true. Although data-gathering by AHCPR-funded researchers presumably would have helped assess the equity of a national health care program, the agency had no official role in the defunct Clinton administration plan.