



THE 21ST CENTURY CURES INNOVATION FUND QUESTIONS AND ANSWERS

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Q. If this mandatory innovation fund is signed into law, would appropriators need to allocate the additional \$2B dollars to NIH each year out of the overall funds available for non-defense discretionary (NDD) spending?

A. No. As the bill is currently written, the fund is indeed a mandatory appropriation. As long as appropriators meet a yet-to-be specified level of threshold funding each year, the NIH would automatically receive an additional \$2 billion on top of their annual appropriation. Thus the \$2 billion would not “count against” the annual NDD budget caps.

Q. Does the bill need to contain a “pay-for” to compensate for the \$10 billion in additional spending?

A. Possibly. Under current budget rules, any additional spending in an authorization bill must be offset by commensurate cuts to existing spending or increases in federal revenues. However, Congress has bypassed these rules in the past, as it recently did when it only partially offset the additional spending associated with Medicare Physician payment reform (aka the “doc fix”).

Q. Is the proposed Innovation Fund earmarked for certain purposes?

A. Yes. As it stands, the fund is to be used for precision medicine, young investigators, and “other.” All three categories are to be fleshed out during the legislative process. That said, this provides significant wiggle room. Precision medicine can cover a lot of real estate, and it is not unprecedented in federal law for “other” to remain “other,” without further delineation.

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