Why OMB's Proposed Grant Rule Matters to Patients, Taxpayers, and Medical Progress

The Office of Management and Budget (OMB) has proposed sweeping changes to the government-wide rules for awarding, managing, and overseeing federal grants, including those supporting biomedical research.

Strong oversight, responsible stewardship of taxpayer dollars, and safeguards against fraud, waste, and abuse are important goals.

But the proposed rule barely touches on those goals, in some cases contradicting them, while taking a hammer to U.S. driven science and medical progress. This proposal completely ignores the harm it would cause to patients waiting for progress, local economies, and our nation's at-risk competitiveness in the science & technology arenas.

OMB's own analysis says the rule's overall costs and benefits could not be calculated because of limited data. It acknowledges that recipients could face short-term implementation costs ranging from minimal to substantial, while describing numerous changes as having "no perceived impacts." That is not enough analysis for changes of this scale and consequence.

And these are not merely technical changes. The proposal would instruct political appointees to decide which grants to fund, make it easier for ongoing research to be stopped, create new layers of bureaucracy, and make it harder for scientists to work together. Those changes would dramatically slow the development of new treatments and cures and shrink the nation's footprint in all areas of science.

Below are key provisions of concern and why they matter to patients, taxpayers, and medical progress.

1. The government would have broader authority to stop research after it has already begun.

Research projects often last many years. Clinical trials, long-term disease studies, and research on Alzheimer's disease, cancer, diabetes, rare diseases, and countless other diseases and conditions need stability to produce reliable results.

The proposed rule would permit the government to terminate awards for vaguely defined reasons other than financial mismanagement, without any right to appeal.

Why it matters

Cutting off research midway wastes not just the money already spent, but also the lost work, lost data, and lost time. Across every sector of our economy, uncertainty and instability discourage investment and long-term planning. Research is no different. When

federally funded research can be terminated unpredictably, institutions become less willing to undertake ambitious, multi-year projects.

Smaller universities, independent research institutions, and small businesses, which often have fewer financial resources to absorb unexpected disruptions, would be particularly affected. Ending research in the middle of a study delays new treatments and can leave important scientific questions unanswered forever. Medical progress depends on seeing research through to completion.

2. Research funding would be determined by political appointees, not peer review.

Today, scientists compete for federal funding by demonstrating that their research has scientific merit and the potential to improve health. Independent experts evaluate those proposals before funding decisions are made.

This proposal would change the balance between independent scientific judgment and political decision-making. Rather than making scientific merit the central consideration in funding decisions, it would reduce the role of scientific peer review and expand the role of political decision-making in determining which research receives federal funding.

Why it matters

Medical research often takes decades to produce breakthroughs, while political priorities change with each administration. Diseases like cancer, Alzheimer's disease, diabetes, heart disease, and rare diseases do not become more or less important because of an election.

Patients are best served when research funding is guided by scientific merit and the promise of improving health, providing continuity across changes in political leadership.

3. Researchers would spend more time on paperwork and less time on research.

The proposal creates numerous new compliance requirements, certifications, approvals, reporting obligations, and oversight responsibilities.

Universities, hospitals, research institutes, and small businesses would all need additional staff time to comply with these requirements.

Why it matters

Every hour researchers spend navigating unnecessary administrative requirements is an hour they are not spending developing new treatments, conducting experiments, or caring for patients participating in clinical research.

More bureaucracy rarely produces more discovery.

4. Research on health disparities would be sidelined.

The proposed rule would restrict federal funding for research related to diversity, equity, inclusion, and gender.

Why it matters

Disease does not affect every American equally. People living in rural communities, veterans, tribal communities, racial and ethnic minorities, and people of different sexes often face different risks for conditions such as cancer, diabetes, heart disease, maternal mortality, and Alzheimer's disease.

Patients benefit when researchers can study why some people experience worse health outcomes and identify better ways to prevent, diagnose, and treat diseases, taking those differences into account.

5. International scientific collaboration would be diminished.

Many of today's medical breakthroughs depend on researchers working across institutions and across countries.

The proposal includes additional review requirements and restrictions affecting international collaborations.

Why it matters

Diseases do not respect national borders. International partnerships often accelerate discoveries that ultimately benefit American patients while strengthening U.S. scientific leadership.

6. Research communication would be restricted.

Certain provisions could make it more difficult for researchers to communicate their findings or participate in discussions that inform public policy.

Why it matters

Taxpayers fund research so discoveries can improve health. Scientists must be able to share what they learn with physicians, policymakers, and the public.

Research has little value if its findings cannot be effectively communicated.

7. The proposal makes long-term research less predictable.

Medical research often takes years, and sometimes decades, to produce results. Clinical trials, long-term studies, research partnerships, and the training of future scientists all depend on stable funding and predictable rules.

The proposed rule would introduce new uncertainty at every stage of the research process.

- By making peer review explicitly advisory and requiring review by senior political appointees, it would make funding decisions less predictable;
- By expanding agencies' authority to terminate grants based on changing agency priorities or evolving interpretations of the national interest, rather than financial mismanagement or failure to comply with award requirements, it would make it harder to count on funding remaining in place once a project begins; and
- By allowing new oversight requirements and award conditions to be imposed during the life of a grant, it would make it much more difficult for research institutions to predict the full cost of conducting research and determine whether they can sustain projects from start to finish.

Why it matters

Scientific progress depends on stability. When funding decisions become less predictable, projects become more difficult to plan, institutions become more cautious about committing to ambitious long-term studies, and research partnerships become harder to sustain.

Patients waiting for new treatments, communities participating in clinical trials, young scientists considering research careers, and the nation's ability to compete with countries investing aggressively in science all depend on a research environment that is stable, transparent, and predictable. Uncertainty and instability slow medical progress and reduce the return on the nation's investment in research.

The Bigger Picture

Everyone agrees that taxpayer dollars should be spent responsibly, and that fraud, waste, and abuse should be prevented.

The question is whether these proposed changes would 1) achieve those goals; and 2) shrink our nation's research footprint at the expense of patients, jobs across the economy, and national security.

The United States leads the world in medical research because our system has emphasized scientific excellence, rigorous peer review, long-term research, and collaboration. Changes that weaken those strengths would ultimately mean fewer breakthroughs, slower progress against disease, and less value for taxpayers.

Protecting accountability and protecting scientific progress are not competing goals. A strong system should accomplish both.