

VA and NPCs: A Unique Public/Private Partnership

NPCs Enhance VA Research and Education at VA Medical Centers

In aggregate, NPC revenues total more than \$260 million a year. Although it was originally anticipated that the NPCs would primarily accept clinical research grants from private sector organizations, administration of non-VA federal grants is increasing. Grants from non-VA federal agencies, including the Department of Health and Human Services – primarily NIH – and the Department of Defense, now amount to approximately 70% of NPCs' total revenues.

NPC expenditures on behalf of over thousands of VA-approved, NPC-administered research projects total around \$250 million each year, nearly half of which is used to pay salaries for clinical research nurses, technicians and other research personnel. The average management expense is lower than industry norms, reflecting efficient management and low overhead expenses.

Supporting VA Research and Education with More than Money

VA regulations require that NPC expenditures must support VA research projects and related functions, education and training activities or the business operations of the NPC itself. Within this principle, NPCs provide diverse services to their affiliated medical centers and VA investigators. Low administrative overhead charges and a high level of service - quick turnaround on hiring personnel, processing compliance paperwork, and ordering supplies and equipment as well support for grant submissions - are major features of the NPCs.

However, many NPCs do much more to promote research. Several support clinical research centers within their VAMCs to increase efficient management of clinical trials. Others hire clinical research nurses who assist principal investigators with all aspects of studies from preparing the grant proposal through submission of the final study results. Others facilitate identification of research sponsors and grant-making organizations, and make the initial contact on behalf of the investigator. Many provide seed funding and bridge money to investigators to foster their VA research careers. Several sponsor year round or summer research internships and mentoring programs for local college students.

In supporting a large number of clinical trials, NPCs support a significant amount of research-related patient care and offer veterans access to the latest drugs in a closely supervised setting and at no cost to VA. Further, NPCs often cover the expense of upgrading research space; purchase research equipment; support travel related to recruiting research staff; donate pharmaceutical, custodial, secretarial, and clerical staff; conduct seminars on study results; and make equipment such as computers and copiers as well as scientific equipment available to researchers. Added to the intangible benefits of high quality patient care and the intellectual excitement that pervades a medical center with a successful research program, NPCs are fully dedicated to supporting VA and are an asset to VA in ways far beyond simply providing a mechanism to administer research and education funds.

Balancing VA Oversight with Flexibility

In authorizing VA medical centers to establish NPCs, Congress mandated multiple layers of national and local oversight. Subsequently, VA added more, all of which are in addition to required audits and scrutiny by federal and state funding and oversight agencies. However, to ensure that the NPCs act as a "flexible funding mechanism for approved research and education [§7362(a)]," Congress has been intentionally reticent about operation of the NPCs, leaving this largely up to local determinations. As a result, each NPC has a unique style and plays a singular role in supporting training and research at its medical center according to its own locally developed policies and procedures. When management questions arise, the executive directors and NPC boards strive mightily to accommodate principal investigators' requests while remaining cognizant of the constraints imposed on NPCs and the possibility of IG and Comptroller General scrutiny.

A Good Idea that Grew

During a 1998 ceremony commemorating the tenth anniversary of authorization of the NPCs, the late Congressman Sonny Montgomery said, "Ten years ago these foundations were just an idea. Obviously they were a good idea. Now I can't imagine VA research without them." The VA-NPC partnership continues to evolve, but there is broad agreement that the relationship has positive benefits for veterans, VA research and VA researchers.