

# Stem Cell Executive Order Draws Cheers, Jeers

BY JOYCE FRIEDEN

President Barack Obama's executive order reversing the Bush administration's restrictions on government-funded stem cell research drew praise from some medical groups and criticism from others.

Under the previous policy, government funding for embryonic stem cell research was limited to studies using only the few stem cell lines that were in existence in August 2001, when then-President George W. Bush announced the policy. President Obama's executive order, which he signed in March, lifts those restrictions and allows funded research to include embryonic stem cell lines created after that date. However, the order does not lift a current ban on using federal funds to create stem cell lines if the creation involves destruction of human embryos. Federal policy does not affect privately funded stem cell research.

President Obama noted at the signing ceremony that "many thoughtful and decent people are conflicted about, or strongly oppose, [embryonic stem cell] research. I understand their concerns, and we must respect their point of view."

But he added that "in recent years,

when it comes to stem cell research, rather than furthering discovery, our government has forced what I believe is a false choice between sound science and moral values. In this case, I believe the two are not inconsistent.

"After much discussion, debate and reflection, the proper course has become clear," he said. "The majority of Americans — from across the political spectrum, and of all backgrounds and beliefs—have come to a consensus that we should pursue this research. ... That is a conclusion with which I agree. That is why I am signing this executive order and why I hope Congress will act on a bipartisan basis to provide further support for this research."

The president said that the government "will develop strict guidelines, which we will rigorously enforce, because we cannot ever tolerate misuse or abuse. And we will ensure that our government never opens the door to the use of cloning for human reproduction. It is

dangerous, profoundly wrong, and has no place in our society, or any society."

Lawrence Tabak, Ph.D., acting deputy director of the National Institutes of Health, expressed support for the decision. "Researchers will now be able to pursue new knowledge about human development, regenerative medicine, and the origins of many of our most devastating diseases," he said in a teleconference. "This research promises to revolutionize how we predict, treat, and prevent many diseases, and will contribute to the development of lifesaving therapies. NIH will do its part to implement new policy and develop guidelines as expeditiously as possible to make sure the best science is funded and the research is conducted in a responsible manner."

The American Medical Association also applauded the change. "Stem cell research holds great promise to treat diseases that science has so far been unable to cure, and this change in policy will allow researchers to accelerate their efforts by applying for

federal research funds," Dr. Joseph Heyman, chair of the AMA's board of directors, said in a statement. "The AMA supports biomedical research on stem cells and has encouraged strong public support of federal funding for this research."

But Dr. David Stevens, CEO of the Christian Medical Association, in Bristol, Tenn., cited problems with embryonic stem cell research. First, there is a moral issue: "We understand that embryos are human beings. Every one of us was an embryo," he said. "When you destroy an embryo, you destroy a distinct human being." Also, the prospects for embryonic stem cell research have been overblown, he continued. "We know that embryonic stem cells are difficult to culture and to control. ... Even people in this field say that if treatment is going to come out of this, it's probably 20 years away."

Instead of spending money on embryonic stem cell research, "we should put our money where we can get real cures real fast"—with adult stem cells, which already have shown promising preliminary results, Dr. Stevens said. "If we have one path we can go down which is cheaper, less complicated, and gets us to cures quickly, why would we go down another path?" ■

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## Budget Tags \$634 Billion for Health Reform

BY MARY ELLEN SCHNEIDER

President Barack Obama has made health care a top priority in his first budget proposal by setting aside \$634 billion over the next decade to begin reforming the health care system and expanding coverage to all Americans.

The proposed "reserve fund" for health care would get half of its funding from new revenue and half from savings proposals. For example, the Obama administration wants to introduce a competitive bidding process to the Medicare Advantage program, a move estimated to save more than \$175 billion over 10 years.

However, in its budget proposal, the administration acknowledged that even \$634 billion would not be enough to fully fund a comprehensive reform of the health care system and that administration officials would need to work with Congress to find even more money.

President Obama delivered the 140-page outline of his fiscal year 2010 budget proposal to Congress on Feb. 26. "With this budget we are making a historic commitment to comprehensive health care reform," President Obama said.

The budget proposal contains a set of eight principles the president plans to use to guide his health reform efforts: reducing premiums and other costs for American families and businesses; reducing costs from unnecessary tests and services; putting the nation on a path to universal health care coverage; providing portability to health care insurance; providing individuals with a choice of health plans and physicians; investing in prevention and

wellness; improving patient safety and quality of care; and ensuring the long-term fiscal sustainability of the system.

Key among the reforms identified by the Obama administration is the need to change the Medicare physician payment formula. The President supports "comprehensive, but fiscally responsible" changes to the current payment system. "The Administration believes Medicare and the country need to move toward a system in which doctors face better incentives for high-quality care."

The budget proposal also contains good news for physicians who have been bracing for a deep Medicare pay cut next January. In what the administration calls a "return to honest budgeting," the FY 2010 budget proposal will account for the fact that payments to physicians under Medicare will not be significantly cut as called for under current law.

The American Medical Association applauded the administration's willingness to address Medicare physician payment issues. "President Obama's budget proposal takes a huge step forward to ensure that physicians can care for seniors by rejecting planned Medicare physician payment cuts of 40% over the next decade," AMA President Nancy H. Nielsen said in a statement.

The investment in health reform was praised by health care advocates. Ron Pollack, executive director of Families USA, a national organization for health care consumers, said the FY 2010 budget proposal bodes well for achieving health care reform this year. "The fiscal investment proposed by the President is a crit-

ical first step towards two related and important objectives—bending the health care cost growth curve and ensuring that everyone has access to high-quality, affordable health coverage and care," he said in a statement.

America's Health Insurance Plans also praised the President's commitment to health reform. However, the group criticized the proposal to make Medicare Advantage plans engage in a competitive bidding process, saying that significant cuts to Medicare Advantage would "jeopardize the health security of more than 10 million seniors" enrolled in the program and reverse payment incentives designed to improve quality of care.

The FY 2010 budget proposal also includes \$76.8 billion in discretionary funding for the Health and Human Services department. The budget proposal for HHS includes more than \$6 billion in cancer research funding at the National Institutes of Health, on top of the \$10 billion in NIH funding that was included as part of the American Recovery and Reinvestment Act, enacted in February.

The administration's budget proposal also aims to address physician shortages by spending \$330 million to expand loan repayment programs for physicians, nurses, and dentists who agree to practice in medically underserved areas.

Finally, the proposal aims to reduce drug prices by accelerating access to generic versions of biologic drugs. ■

*The administration's FY 2010 budget proposal is available at [www.whitehouse.gov/omb/budget/](http://www.whitehouse.gov/omb/budget/).*

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