

## News & Comment

# NIH Firing: A Shot Across the Bow?

*The Department of Health and Human Services has forced the removal of a top NIH official because the procurement system he ran paid too much for laboratory supplies*

EDWIN Becker knew the job was not the kind where scientific reputations are made. After all, the Office of Research Services at the National Institutes of Health (NIH) performs "the scut work of science," including the unenviable task of feeding into the maw of a huge biomedical research center like NIH a seemingly endless miscellany of scientific supplies, chemical reagents, test tubes, lab rats, and government-issue ball-point pens. Yet Becker, a scientist of world renown in the field of nuclear magnetic resonance, relinquished a flourishing research career in 1980 to make sure that his fellow investigators could get their reagents and their rats on time. Why? "It may sound naïve, but I did it for the good of NIH," says Becker.

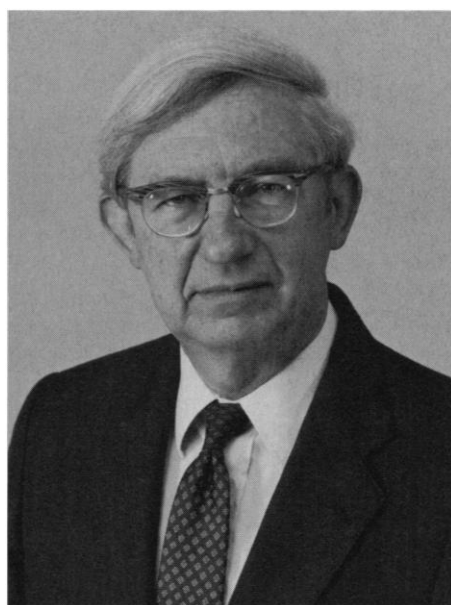
And now for the good of NIH, Edwin Becker is left twisting in the wind, in many ways a symbolic victim in a battle between the more academic enclave of NIH and its parent agency in the federal bureaucracy, the Department of Health and Human Services. In a blistering series of memos issued on 15 April by officials at HHS, Becker was stripped of his purchasing powers, forced from his administrative post, and threatened with immediate reassignment from the NIH campus in Bethesda, Maryland, where the 58-year-old Becker has spent the last 32 years. "They dropped the whole boulder on him," says NIH Director James Wyngaarden, who adds that Becker is being removed from NIH over Wyngaarden's "strong objections."

The attack, and the way it was handled, have outraged scientists at NIH, who often seem to forget that they are part of the federal government. The research community seems particularly incensed that Becker was not only ousted from his job as associate director of research services, but appears to be being losing his scientific appointment as well. Becker is chief of the nuclear magnetic resonance section of the laboratory of chemical physics in the National Institute of Diabetes and Digestive and Kidney Diseases.

In essence, Becker was accused by HHS officials of overseeing a purchasing system that failed to obtain sufficient discounts on lab supplies, wasting an estimated "\$26

million a year in precious research funds." No one has suggested that Becker is guilty of any impropriety or misuse of funds. Becker and his allies hotly contest that \$26 million is wasted each year by NIH.

Regardless, in a vigorous letter calling for immediate and aggressive action, the Inspector General of HHS, Richard Kusserow, stated that Becker "has demonstrated over the past 5 years that he is either unable or unwilling to correct deficiencies brought to his attention." Kusserow called the present procurement system "diseased." He wrote that Becker's office has "offered only argu-



**Too much of a good thing.** *Edwin Becker made the procurement system at NIH responsive to scientists, but at a price.*

ments and hollow promises with little overall progress in addressing the noted problems." Then Kusserow got to the heart of the matter: "At a time of high public and congressional concern over scientific misconduct, this Department's actions should support a commitment to integrity and prudence in biomedical research."

These are not happy times for NIH. During a recent budget hearing, the first question from the lips of Senator Lawton Chiles (D-FL) to Wyngaarden was about Becker and the \$26 million. The second question

was about scientific fraud. Chiles cautioned Wyngaarden that nothing undermined congressional support for the defense budget more than revelations about fraud and waste. Says Wyngaarden darkly: "It was a shot across the bow." Adds an HHS official who did not want to be named: "If Congress wants to do a hatchet job on NIH, it could be done." A congressional aide to the House appropriations committee says that the charges of waste are being taken very seriously on Capitol Hill. "Funding for NIH has gone up so dramatically, particularly for AIDS, that we wanted to make Congress feel comfortable that we are on top of things," says S. Anthony McCann, assistant secretary in charge of management and budget at HHS and a major player responsible for removing Becker.

The charges of waste revolve around the way that NIH buys the thousands of small, everyday items consumed by biomedical laboratories. As allegations of mismanagement go, it is not a glamorous one. These items are small and diverse, "ranging from disposable syringes to computer software to blemish-free bananas," according to an unreleased and independent assessment by the Logistics Management Institute, a federally funded research and development corporation based in Bethesda.

The system for acquiring these items is called "DELPRO," short for delegated procurement. The system basically works like this: A researcher realizes that he or she needs a specific chemical to run an experiment. The investigator then goes to a secretary or assistant who, often in addition to other duties, places orders for the laboratory. These clerks are scattered across the campus. Last year, there were 824 part-time clerks at NIH placing 188,065 orders. The clerk takes the order, makes a few phone calls, and within days, the supplies arrive directly at the door of the lab. No muss and no fuss. No lead times, no delays, and no central purchasing office.

When Becker inherited his position of overseeing the procurement system, the operation was run quite differently. "It was utter chaos," reports Wyngaarden. "Many scientists felt that the people providing support services were more their enemies than

there to help them," says Becker. Today, the process is so responsive to the needs of researchers that Wyngaarden says he never hears complaints from his scientific staff, a group not predisposed to keeping quiet about things that bother them. According to the report from the management institute: "Many researchers told us they consider the ability to obtain laboratory supplies quickly to be an important factor in recruiting and retaining the caliber of people now at NIH."

Unfortunately for Becker and the scientists he may leave behind at NIH, those days appear to be numbered. The management and budget officers at HHS do not think responsiveness alone is a sufficient goal. Cost and government regulations are important, but often ignored, objectives, they contend.

According to the Logistics Management Institute and several internal reviews, the DELPRO clerks are often poorly trained, motivated, and equipped. Annual turnover is 30%. Pushed by researchers who "give them the single objective of having material on hand as fast as possible," many clerks navigate around federal regulations. For instance, clerks may split orders to keep below a certain dollar maximum, or fail to pursue orders with small businesses, or to justify why they did not get three competitive bids for an item. The outside consultants report: "NIH personnel usually order exactly what they want from whatever source they choose, regardless of [federal] requirements."

Becker agrees that the system is in need of considerable tinkering, which he says his staff was in the process of doing. Becker points out that he was not only in charge of overseeing procurement, but was also responsible for safety, maintenance, hazardous waste disposal, telecommunications, space management, and engineering. Becker maintains that many problems in the division of procurement are more about documentation than execution, meaning that a clerk might have tried to get three competitive bids, but failed to note the fact on one of the many forms. Becker and his supporters add that ordering delicate and unstable items for scientific experiments is not like ordering screwdrivers and automobile tires. "A scientist can't use a source that would jeopardize his experiment just because it's cheaper," says Becker.

"I can understand what they're saying," says McCann. "They're saying: 'We're trying to cure cancer so stop complaining about what kind of beaker we buy.' If Congress says that the government laboratories don't have to follow the rules, that's fine. But Congress hasn't said that." McCann stresses

that NIH must follow the same government regulations as every other agency. In addition, NIH needs to have a more centralized purchasing program so it can shrewdly exploit its buying power, says McCann.

Becker agrees that NIH should save more money. The question is how much more. Becker maintains that the figure of \$26 million for annual waste "was taken out of the air." Wyngaarden calls the number "a reckless extrapolation." McCann concedes that it is only a rough estimate, though by now the figure has taken on a life of its own. "Even if it's proportionately lower, even if it's one-quarter of the amount, \$6 million is still \$6 million," says McCann.



**Under the gun.** "I thoroughly disagree with the decision to remove Ted Becker from NIH," says Director James Wyngaarden.

For his part, Becker says that \$6 million is a lot less than \$26 million. "That number must also be spread out over the 4000 scientists working at NIH, each making his own decisions," says Becker, who adds that being responsive is also being cost-effective. "What they can never understand is that responsiveness saves money. You don't have scientists and expensive equipment sitting idle while they're waiting for supplies."

Becker correctly points out that the figures being discussed are not amounts that NIH is overcharged for items, but numbers based on the possibility of even greater discounts. In their report, for example, the Logistics Management Institute compares the prices paid to vendors by NIH and Johns Hopkins University. With one vendor, Johns Hopkins negotiated a 34% discount below list price. NIH received only a 21% mark down. In the another case, Johns

Hopkins got a 31% cut while NIH ordered supplies at a 9% discount.

The reasons for the different rates are varied. Johns Hopkins negotiates for a fixed discount and deals only with a handful of vendors. The supplies are delivered to a central loading dock. NIH does business with over 800 vendors and the supplies come to the researcher's door. Since the system is decentralized at NIH, scientists and clerks are often left to cut their own deals with vendors.

The management institute notes that NIH seems to do as well as other government research centers. The Centers for Disease Control in Atlanta, for example, receives only a 10% discount from vendors. The Walter Reed Army Institute of Research obtained no discount at all from the vendors interviewed above. Still, the management institute concludes: "The failure to negotiate discounts is a serious flaw in NIH's small-purchase program."

As a result, procurement at NIH is about to go through some dramatic changes, says Terrence Tychan of HHS's office of procurement and logistics. No longer will a scientist be in charge. "It will be run by business people," says Tychan. The entire purchasing system will move toward more centralization and more emphasis on following federal procedure. Tychan adds that a major problem has been that NIH as a whole does not know what it is buying, so it fails to drive hard bargains with vendors.

McCann says the presence of the former head of procurement would make implementing these changes more difficult, since they will probably not make researchers at NIH happy. Wyngaarden says he was ordered by McCann and HHS Under Secretary Don Newman to remove Becker from his administrative post and start the paperwork for reassigning him away from NIH. Since Becker is a civil servant, he can be sent to another government agency or to a university. "They thought a clean, surgical break was best," says Wyngaarden.

Wyngaarden reports that he has received hundred of letters in support of Becker, many from researchers outside NIH who extol Becker's contribution to the field of nuclear magnetic resonance, which uses the phenomenon of spinning atomic nuclei to elucidate the molecular structure of various solids and liquids. Becker is the author of two classic works on the subject. "To treat the guy this way is outrageous," says William Eaton, also of the kidney institute, who drafted a letter of protest to HHS Secretary Otis Bowen signed by 27 of NIH's 30 members of the National Academy of Sciences. Other petitions are also circulating. ■ **WILLIAM BOOTH**