

**Statement by United for Medical Research on
FY 2015 Appropriations for the National Institutes of Health
submitted for the record by Carrie Wolinetz, Ph.D to the
Subcommittee on Labor, Health and Human Services, Education and Related Agencies
Committee on Appropriations
United States House of Representatives**

United for Medical Research (UMR) represents leading research institutions, patient and health advocates and private industry, joined together to seek steady increases in federal funding for the National Institutes of Health (NIH). We appreciate the opportunity to express our strong support for continuing our nation's commitment to biomedical research, so that we may remain the world leader in the life sciences. UMR recognizes that this is a time of difficult choices and fiscal constraint. However, we urge Congress to ensure NIH remains a priority, as an economic driver and jobs creator, an irreplaceable federal funder of basic research, and the source for extraordinary improvements in our health, longevity, and quality of life; we request \$32 billion for NIH in the FY2015 Labor/Health and Human Services/Education and Related Agencies Appropriations bill.

NIH Research is Critical to Private Sector Innovation

A steady stream of medical advances, from new drugs and devices to improved diagnostics and cutting edge technologies, are founded in federally funded research discoveries. The biomedical research pipeline is a partnership between the 325,000 scientists funded by NIH, performing research at 3,000 institutions in all fifty states, and the private sector, which provides the products to support research discovery and brings research breakthroughs to fruition and into the marketplace. As Senator Richard Durbin recently asserted, "In the last two centuries, U.S. government support for scientific research has helped split the atom, defeat polio, conquer space,

create the internet, map the human genome, and much more. No nation has ever made such a significant investment in science, and no nation's scientists have ever done more to improve the quality of life on Earth.”

NIH funds the highest-quality science and trains the next generation of medical researchers, ensuring that the pipeline of knowledge and talent does not run dry. The private sector's ability to maintain the rate of medical advancements, create and sustain high-wage jobs, and spur nationwide and regional economic activity depends on a sustained commitment to NIH. Unfortunately, in recent years, we have seen that commitment wane, and after a decade of budgets that have failed to keep pace with biomedical inflation and a \$1.6 billion cut due to sequestration, NIH's loss of purchasing power is alarming. NIH Director Dr. Francis Collins recently underscored this point when he said, “NIH is the largest supporter of biomedical research in the world, but we are losing our edge. Since 2003, we've seen a steady decline in support, down to about 25 percent below where we were 10 years ago in terms of our power to fund research.”

NIH as an Economic Engine

“Growing and sustaining a viable, long-term innovation eco-system is the smart choice and the only choice that makes sense for patients and for our national economy,” noted John Castellani, President and CEO of PhRMA. NIH-supported research triggers private investment and significantly contributes to job growth and the overall strength of the U.S. in the global healthcare market. A 2012 report by UMR entitled “*NIH's Role in Sustaining The U.S. Economy*” shows that NIH funding directly and indirectly supported more than 432,000 jobs in

2011 alone and generated more than \$62.1 billion in new economic activity. Using the Department of Commerce's RIMS II model, the analysis detailed the output and employment effects of 2011 NIH extramural research funding by state, calculating the number of jobs supported in each state by NIH funding. NIH funding generated the greatest number of jobs in California (63,196), Massachusetts (34,598), New York (33,193), Texas (25,878) and Maryland (24,557). In Georgia, NIH funding generated almost 11,000 jobs, and in Connecticut more than 6,500 jobs. Further, NIH funding supported more than 10,000 jobs in the following states: Pennsylvania, North Carolina, Washington, Illinois, Ohio, Florida, and Michigan. As Congressman Jack Kingston (R-GA), Chair of the Labor/Health and Human Services/Education and Related Agencies testified at a recent hearing, "NIH's support for extramural basic research provides the 'seed corn' for the private sector to create new, innovative preventable digital medicine."

The data housed in UMR's report clearly shows NIH's vital role in fueling economic growth in the health and life sciences industry. However, it also showed that the lack of sustained investment in the agency is beginning to have an impact. The decrease in NIH funding between 2010 and 2011, which was in part attributable to the end of supplementary funding by the American Recovery and Reinvestment Act, forecasted a decrease of approximately 55,000 jobs nationwide. This coupled with the \$1.6 billion cut in funding due to sequestration has had real and lasting affect on jobs and research. As the data clearly shows, there is an urgent need to re-prioritize our support for biomedical research and this critical job sector by providing NIH with increased funding to counteract the affects of a budget that for the last decade has not kept pace with inflation and blunt the catastrophic impact of sequestration.

NIH Provides Hopes to Millions

Although its importance to the nation's economy is remarkable, we must not forget NIH's primary mission: to improve the health of the nation. NIH has been tremendously successful in improving human health and its accomplishments are numerous and well documented: a nearly 70 percent reduction in the death rate for coronary heart disease and stroke; advances in HIV/AIDS treatment that put an AIDS-free generation within reach; nearly 1 million lives saved due to decreases in cancer death rates over the past decade; and steady increases in life expectancy. Moreover, as our understanding of the human genome grows at an exponential rate, we have entered an era of personalized medicine where intervention on an individualized level is beginning to generate story after story of children and adults whose lives have been saved through cutting-edge research advances. These human stories of triumph over disease and scientific opportunity serve to provide hope to millions of patients whose diseases and conditions are still waiting for the next generation of treatment or cure.

Looming Threats: Global Competition and Sequestration

“Investing in research has huge paybacks, paybacks in improving the human condition and paybacks in reducing health costs as you get new tools,” noted Bill Gates, Microsoft founder and Co-Chair of the Bill and Melinda Gates Foundation, when he visited NIH last year. Indeed, Congress' wisdom in investing federal dollars in NIH has yielded phenomenal dividends and made the U.S. the undisputed world leader in life science innovation. However, ever-shrinking budgets have made it difficult to maintain that leadership. Other nations are following in our footsteps to fuel their own biomedical research enterprises, even as we take a step back. China, India, the European Union, and Russia have all declared their intentions to increase their research

investment, despite the fiscal challenges presented by the global economy. “From 2007 to 2012, countries average annual investment in biomedical R&D increased 33 percent in China, 12 percent in South Korea, 10 percent in Singapore and it fell by 2 percent in the United States” Congresswoman Rosa DeLauro (D-CT), Ranking Member of the Labor/Health and Human Services/Education and Related Agencies Appropriations Subcommittee recently said. Losing our competitive edge in biomedical research is a clear and present danger to the crucial economic contributions of our life sciences innovation ecosystem.

NIH Should Remain a U.S. Priority

John Lechleiter, the CEO and chairman Eli Lilly & Co., once stated, “There's no better investment that we can make than in biomedical research and in our health. This is not something that we're trying to steal away from someone else... America leads the world.” We could not agree more. While we appreciate the Administration’s attempt to stymie some of the effect of sequestration on biomedical research, at this critical moment in our nation’s history, increased investments in biosciences through the only federal agency specifically designed for this purpose —NIH — makes more sense than ever. For our economy, for our position as a world leader, for the health of our citizens, UMR respectfully requests Congress continue to capitalize on scientific opportunity by providing \$32 billion for NIH in the FY2015 Labor/Health and Human Services/Education and Related Agencies Appropriations bill.