



PRESS RELEASE

NEW REPORT REVEALS EXPONENTIAL IMPACT OF NIH RESEARCH FUNDING TO ARKANSAS

From 2016-2022, residents, businesses and Arkansas's economy benefited from a growing NIH budget

WASHINGTON, DC — October 18, 2023 — A new report from United for Medical Research (UMR) reveals the exponential impact that research funding from the National Institutes of Health (NIH) has in rural states. ***How Rural States Benefit from Strong NIH Funding*** is based on an economic analysis of seven rural states from 2016-2022. The states examined are Alabama, Arkansas, Kentucky, Maine, Mississippi, New Hampshire and West Virginia. They are seven of the ten-most rural U.S. states and have an average GDP of just over one-fourth the average GDP of the rest of U.S. states. The report was released at a Capitol Hill briefing where Congressman Steve Womack, representing Arkansas's 3rd congressional district, spoke.

"Investments made today in biomedical research, treatment, and cures first and foremost save lives. I also realize they reduce long-term health costs, create jobs, and spur the economy of tomorrow," Womack said. "United for Medical Research's thorough report proves this and showcases the great work happening in my home state. I'm grateful for their dedication to medical research and development, including the work of Dr. Pearl McElfish in Arkansas' Third. I look forward to continuing to support wise, forward-looking, and effective policies that help advance these lifesaving, economic-boosting efforts in our health system."

Dr. McElfish, Director of the Office of Community and Health Research at the University of Arkansas for Medical Sciences also participated in the briefing, sharing her on-the-ground perspective on the importance of NIH funding.

"Rural states, such as Arkansas, often have poor health outcomes and research investments allow us to understand the best way to improve those disparities. It is critical that research be conducted in rural communities, such as those in Arkansas, because the knowledge gained will be applicable to communities most in need," she said. "Not only does NIH funding allow us to conduct valuable health research, but it also allows us to create jobs throughout rural areas of Arkansas."

The timespan examined in the report matches a period of strong congressional funding for NIH after a long period of flat funding. Each of the states examined benefited significantly because of the NIH funding received. **In Arkansas, nearly \$1.2 billion of new economic**

activity was generated during this period along with almost 8,300 jobs. Conversely, had the NIH budget remained flat, much of this benefit would have been lost, along with an untold negative impact on research, innovation and public health.

“These rural states are important reminders of the tremendous return on investment that results when Congress prioritizes medical research funding through the NIH,” said UMR President Chris Austin. “Regardless of the amount of NIH funding that goes into a state, it has an exponential impact that extends far beyond its primary purpose of improving health through research. Now, more than ever, it is crucial that Congress keep the NIH on a steady, sustainable growth path.”

In addition to directly supporting jobs and funding important medical research, including clinical trials, NIH grants awarded to researchers and organizations in a state generate sales for in-state businesses, spur the creation of additional jobs, contribute to state and local tax coffers, boost household incomes, and help attract highly skilled workers to a state, enhancing its labor force.

As the report illustrates, these benefits are all the more important in rural states where it is often the case that population growth is slowing or declining; there are higher rates of chronic health conditions; and a higher portion of the population is enrolled in Medicaid and Medicare and a higher portion of the state budget is spent on these programs.

Additional findings include:

- In 2022, every \$1 NIH funding generated \$2.1 of economic activity in Arkansas.
- NIH-funded research boosts an important sector of the labor force. In 2022, average annual pay in the R&D sector in Arkansas was 1.5 times more than jobs in other sectors and from 2016-2022, average R&D job growth was 20% compared to 6% for the other sectors.
- The collective impact on household earnings in Arkansas in 2022 was \$72 million (included as part of total new economic activity).
- A total of \$22 million in tax and fee revenue flowed to state and local entities in Arkansas in 2022 (included as part of total new economic activity).
- Had the NIH budget stayed flat and not grown from 2016-2022, Arkansas would have lost \$568 million in economic activity and more than 4,000 jobs.

The economic analysis for this report was performed by Ronald Horst, Ph.D., Inforum, June 2023.

Access state-specific findings, data tables and the full report at:
<https://www.unitedformedicalresearch.org/ruralreport>

UMR is a coalition of leading research institutions, patient and health advocates and private industry seeking strong and sustainable increases in funding for the National Institutes of Health in order to save and improve lives, advance innovation and fuel the economy. Learn more at [unitedformedicalresearch.org](https://www.unitedformedicalresearch.org).