



PRESS RELEASE

NEW REPORT REVEALS EXPONENTIAL IMPACT OF NIH RESEARCH FUNDING TO WEST VIRGINIA

From 2016-2022, residents, businesses and West Virginia'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 Senator Shelley Moore Capito spoke.

“Throughout my time in Congress, I have worked to expand resources available to NIH because I have seen the direct impact it makes in my state of West Virginia. Through this support, institutions across my state have led groundbreaking biomedical research that invests in the wellbeing of our residents and improves our medical understanding and practices across the country. I thank UMR for inviting me to speak and for all their work and dedication in this field,” Senator Capito said.

Dr. Ming Lei, Senior Associate Vice President for Research and Graduate Education, WVU Health Sciences, also participated in the briefing, sharing his on-the-ground perspective on the importance of NIH funding.

“Coinciding with rural states’ small medical research footprint is the high disease burden and low life expectancy suffered by their populations,” Dr. Lei said. “A targeted increase of NIH funding in rural states is much needed to bend the curve of increasing urban-rural health disparity and to support NIH’s mission to ‘optimize health and prevent or reduce illness for all people.’”

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 West Virginia, \$549 million of new economic activity was generated during this period along with more than 3,600 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 West Virginia.
- NIH-funded research boosts an important sector of the labor force. Jobs in the R&D sector in West Virginia pay 1.3 times more than jobs in other sectors.
- The collective impact on household earnings in West Virginia in 2022 was \$32 million (included as part of total new economic activity).
- A total of \$10 million in tax and fee revenue flowed to state and local entities in West Virginia in 2022 (included as part of total new economic activity).
- Had the NIH budget stayed flat and not grown from 2016-2022, West Virginia would have lost \$247 million in economic activity and more than 1,600 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.