

ECONOMIC IMPACT

CREATING JOBS, SPURRING GROWTH

Scientific discoveries sparked by the National Institutes of Health (NIH) play a critical role in our health, safety, and quality of life – and they contribute to our nation’s economic well-being and fiscal health. Scientific discovery creates jobs in our hometowns, states, and country.

NIH-funded research nurtures economic growth by incubating new technologies, giving birth to new companies, and creating jobs across industries. NIH is the largest funder of biomedical research in the world – and Americans in every state have benefited from the economic activity generated by NIH investments in local research.

NIH directly supports more than **350,000 jobs across the country**,¹ and every **\$1 of NIH funding generates more than double that in local economic growth**.² NIH research is also critical to slashing long-term healthcare costs. For example, Alzheimer’s currently costs the U.S. \$226 billion a year, and without a breakthrough treatment or cure it will cost our families \$1.1 trillion a year by 2050.³

INVESTING IN THE U.S. WORKFORCE

Real people in our communities hold real jobs as a result of NIH-funded research: they are scientists, lab technicians, statisticians and computer scientists, administrators, and support staff. And these are high-quality, well-paying jobs.

- **The NIH FY 2012 budget was \$30.62 billion** – Nearly 95 percent of NIH’s budget funds medical research, with 82 percent of the total budget competitively awarded to scientists, research institutions, and small businesses in every state across the country.⁴ FY 2013, sequestration cut NIH’s budget to \$29.1 billion, and, in FY 2014, thanks to NIH congressional champions, half of that was restored.
- The **\$3.8 billion federal investment in the NIH-funded Human Genome Project stimulated an estimated \$1 trillion in economic growth from 1988-2013**. The project also generated personal income exceeding \$293 billion and more than 4.3 million job-years of employment.⁵
- The biomedical industry, which relies on NIH-supported basic research, contributed an **estimated \$69 billion to our GDP and supported 7 million jobs** in 2011 alone.⁶
- **All federal research and development spending in FY 2013 accounted for just 3.8 percent of the federal budget**, and NIH was less than one percent, a historic low.⁷

While robust investment in the NIH has created jobs and sustained careers across the United States, **stagnant funding for NIH over the last decade has stalled scientific discovery, frozen job creation, and slowed economic growth.**

ACTING NOW FOR OUR ECONOMIC HEALTH

An investment in **medical research pays dividends for years to come**. While healthcare consumers, policymakers, and other stakeholders express alarm about rising healthcare costs, all of us know that medical research saves healthcare dollars. Research leads to discoveries and treatments that over the long-term bend the cost curve and result in real savings.

Consider the profound impact of what are now common medical advances, thanks to NIH funding:⁸

- Chronic diseases such as heart disease, cancer, diabetes, and asthma **cost the U.S. \$1.7 trillion each year**.
- Beta blockers developed by the NIH in collaboration with industry **reduced Medicare expenditures by \$6,000** per patient as a result of decreased hospitalizations.
- NIH researchers have helped develop new treatments that delay or prevent diabetic retinopathy, **saving the U.S. \$1.6 billion a year**.

More NIH research means greater healthcare savings.⁹

- Treatments that delay the onset or progression of Alzheimer's disease by six years could produce **annual savings of \$51 billion by 2015**, \$126 billion by 2025, and \$444 billion by 2050.
- Evidence has shown that the prevention of just 5 percent of new cases of chronic conditions would **reduce Medicare and Medicaid spending by nearly \$5.5 billion** a year by 2030.
- Reducing the new diagnosis rate of Parkinson's disease by 1 percent could **save an average of \$250 million per year** in treatment, Social Security payments, and lost productivity.

Let's secure an investment for NIH not just for the health of our families and friends,
but **for the economic health of our nation**.

REFERENCES:

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