



Tomorrow's Doctors, Tomorrow's Cures

Learn

Serve

Lead

NIH Funding Trends and Impacts

AAMC Government Relations

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Association of
American Medical Colleges

What is NIH?

The **National Institutes of Health (NIH)** is the nation's medical research agency - making important medical discoveries that improve health and save lives.

NIH, a part of the **U.S. Department of Health and Human Services**, is the primary Federal agency for conducting and supporting medical research.

NIH is composed of **27 Institutes and Centers**. The NIH provides leadership and financial support to researchers in every state and throughout the world.

What is NIH?

With the support of the American people, the NIH annually invests over \$30 billion in medical research.

More than 83% of the NIH's funding is awarded through almost 50,000 competitive grants to more than 325,000 researchers at over 3,000 universities, medical schools, and other research institutions in every state and around the world.

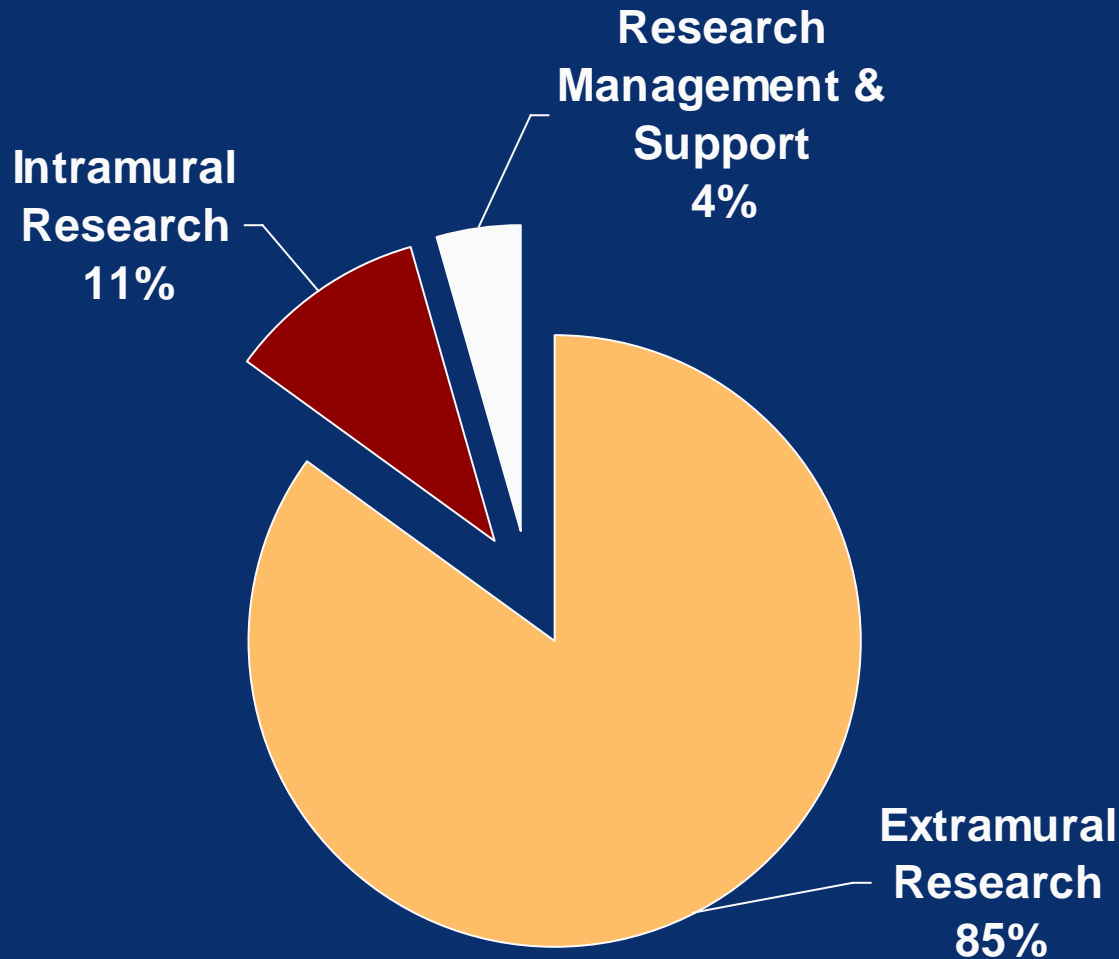
About 10% of the NIH's budget supports projects conducted by nearly 6,000 scientists in its own laboratories, most of which are on the NIH campus in Bethesda, Maryland.

What is NIH?

Helping to lead the way toward important medical discoveries that improve people's health and save lives, NIH scientists investigate ways to prevent disease as well as the causes, treatments, and even cures for common and rare diseases.

NIH research impacts the lives of all Americans.

FY 2008 ENACTED NIH BUDGET AUTHORITY: \$29.380 BILLION



NIH Funding History

FYs 1995-2009 [in billions]

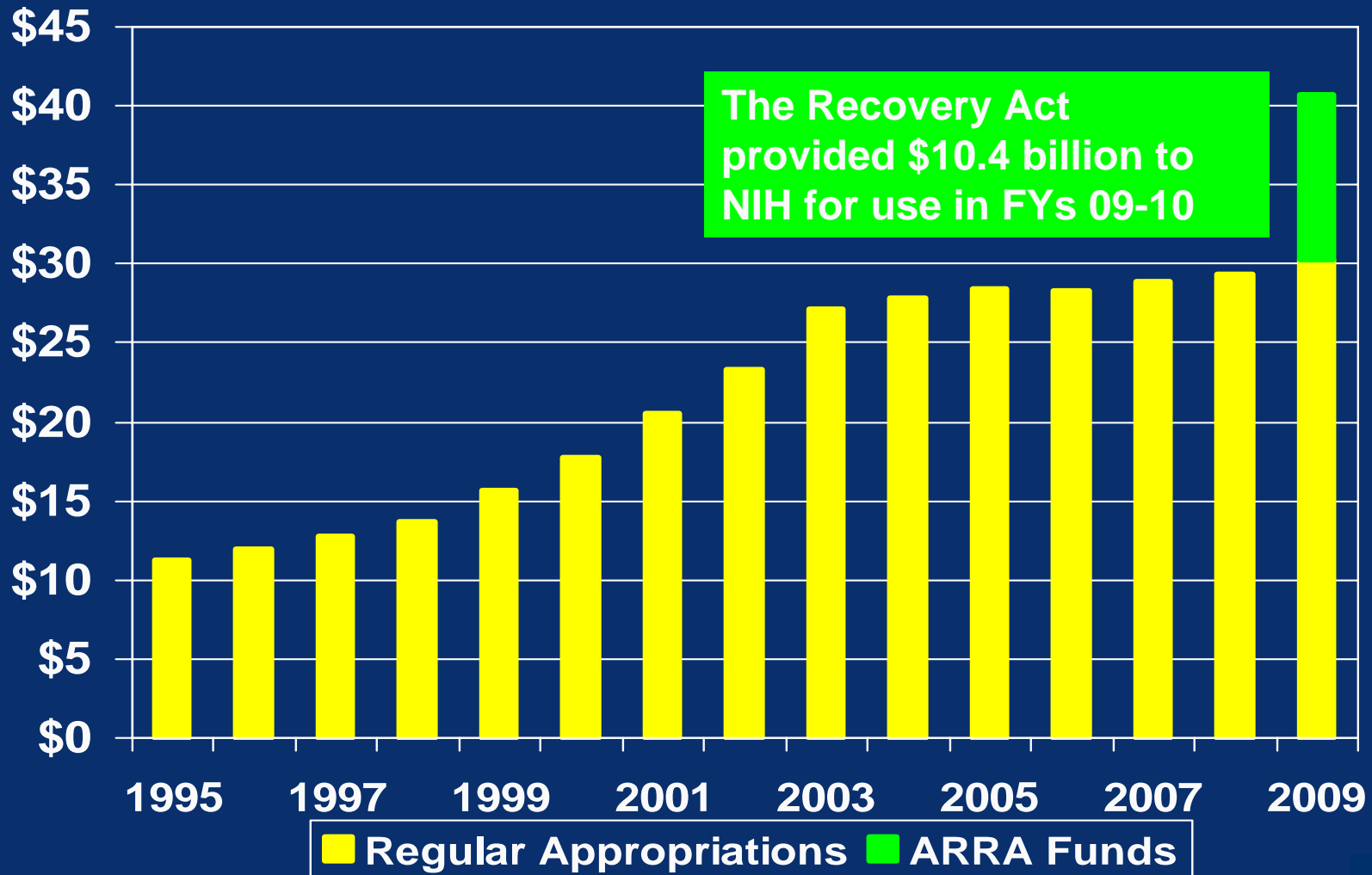
Year	Current \$	% change	Constant \$	% change	BRDPI
1995	\$11.300	3.1%	\$11.300	---	3.5%
1996	\$11.928	5.6%	\$11.630	2.9%	2.6%
1997	\$12.741	6.8%	\$12.087	3.9%	2.8%
1998	\$13.675	7.3%	\$12.548	3.8%	3.4%
1999	\$15.629	14.3%	\$13.900	10.8%	3.2%
2000	\$17.821	14.0%	\$15.280	9.9%	3.7%
2001	\$20.458	14.8%	\$16.977	11.1%	3.3%
2002	\$23.296	13.9%	\$18.712	10.2%	3.3%
2003	\$27.067	16.2%	\$21.003	12.2%	3.5%
2004	\$27.888	3.0%	\$20.863	-0.7%	3.7%
2005	\$28.495	2.2%	\$20.519	-1.6%	3.9%
2006	\$28.461	-0.1%	\$19.587	-4.5%	4.6%
2007	\$29.128	2.3%	\$19.316	-1.4%	3.8%
2008	\$29.380	0.9%	\$18.654	-3.4%	4.4%
2009	\$30.317	2.9%	\$18.554	-0.5%	3.8%

Sources: NIH and House Appropriations Committee



Sustaining the Research Enterprise

NIH Funding, FY 1995-2009 [in billions]



Sources: NIH and House Appropriations Committee

For about \$44 per American per year, NIH-funded research has:

Increased life expectancy



Virtually eliminated the transmission of the HIV virus from mother to child

Reduced deaths from heart diseases, cancer and stroke



Economic Impact of NIH Funding

Grants to States

In fiscal year 2007, NIH awarded approximately \$22.846 billion in grants and contracts to universities and other research institutions in the 50 states.

- The value of NIH state awards ranged widely, from \$3.493 billion (California) to \$7 million (Wyoming).
- Seven states received more than \$1 billion in funding from NIH: California (\$3.493 billion), Massachusetts (\$2.339 billion), New York (\$2.005 billion), Maryland (\$1.566 billion), Pennsylvania (\$1.436 billion), Texas (\$1.128 billion), and North Carolina (\$1.088 billion).

Economic Impact of NIH Funding

Business Activity

On average, in FY 2007, **each dollar of NIH funding generated more than twice as much in state economic output.** An overall investment of \$22.846 billion from NIH generated a total of \$50.537 billion in new state business activity in the form of increased output of goods and services.

- In fiscal year 2007, every \$1 million that NIH invested generated \$2.21 million in new state business activity.

Source: Families USA: “In Your Own Backyard: How NIH Funding Helps Your State's Economy” June 2008



Economic Impact of NIH Funding

Jobs and Wages

In fiscal year 2007, **NIH grants and contracts created and supported more than 350,000 jobs that generated wages in excess of \$18 billion in the 50 states. The average wage associated with the jobs created was \$52,000.**

- In six states, more than 20,000 new jobs were created: California (55,286 jobs), Massachusetts (30,864), New York (27,877), Maryland (21,299), Pennsylvania (21,262), and Texas (20,148).

Source: Families USA: “In Your Own Backyard: How NIH Funding Helps Your State's Economy” June 2008

Economic Impact of NIH Funding

Jobs and Wages

In fiscal year 2007, **NIH grants and contracts created and supported more than 350,000 jobs that generated wages in excess of \$18 billion in the 50 states.**

- **In six states, total wages from jobs created exceeded \$1 billion:** California (\$3.111 billion), Massachusetts (\$1.815 billion), New York (\$1.423 billion), Pennsylvania (\$1.164 billion), Maryland (\$1.150 billion), and Texas (\$1.013 billion).
- **The average wage of all the jobs created by NIH funding nationwide is \$52,112.** The latest estimate of the average U.S. wage is \$42,000.7 This means that, on average, wages associated with jobs created by NIH funding are nearly 25 percent higher than the average U.S. wage.

Economic Impact of NIH Funding

The amount of money that NIH awards to states increases or decreases as the agency's federal funding is increased or cut every year. The impact of these changes is somewhat predictable and can be estimated at the state level. Taking 2007 as the base year, **if the sum of all NIH awards to the states were to increase by 6.6 percent, the national economic benefit would add up to \$3.1 billion worth of new business activity, 9,185 additional jobs, and \$1.1 billion in new wages.**