



## THE AD HOC GROUP FOR MEDICAL RESEARCH

July 12, 2012

Dear Representative:

The patients, scientists, and health care providers represented by the Ad Hoc Group for Medical Research are gravely concerned about the impact of the pending sequestration mandated by the Budget Control Act (BCA) on medical research supported by the National Institutes of Health (NIH) and the subsequent negative consequences this funding cut will have on the health of all Americans by slowing scientific progress against disease and disability.

Because of the failure of the Joint Select Committee on Deficit Reduction to identify an additional \$1.2 trillion in deficit reduction, the BCA mandates an across-the-board cut of defense and non-defense discretionary spending effective January 2, 2013. The Congressional Budget Office (CBO) has estimated that sequestration would reduce non-security discretionary spending in FY 2013 by 7.8 percent. For NIH, this would represent a \$2.4 billion reduction. However, since the BCA exempts certain programs such as veterans' medical care and Pell grants, the Center for Budget Policy and Priorities has estimated that non-exempt discretionary programs could be cut by 9.1 percent, which would reduce NIH's budget by \$2.8 billion in the first year alone.

The impact of this cut on NIH-funded research would be immediate and devastating. Testifying March 28 before the Senate Labor-HHS-Education Appropriations Subcommittee, NIH Director Francis Collins, M.D., Ph.D., stated a cut of \$2.4 billion would mean NIH would fund approximately 2,300 fewer research grants in FY 2013, representing one quarter of new and competing grants the agency expects to fund. As a result, he indicated, success rates for new applications and competing renewals would fall "to historically low levels."

On June 21, before the House Energy and Commerce Subcommittee on Health, Dr. Collins characterized the magnitude of sequestration on NIH research, "With \$2.4 billion being removed from the budget, there'd be no way to actually spare any field of medical research from at least some degree of cut."

Even more troubling is that this cut would come at the end of a decade that has seen the NIH budget fall by more than 19 percent after inflation, and on top of an additional \$900 billion in discretionary spending cuts mandated by the BCA over the next decade.

The Ad Hoc Group and its members also are concerned that this cut will negatively affect job creation and seriously jeopardize America's leadership in medical research. An analysis released in April by the Federation of American Societies for Experimental Biology (FASEB) states, "Since at least 75 percent of the grant budgets are for salaries, the impact on employment and local economies will be immediate and severe." A March report from United for Medical Research estimates a 7.8 percent reduction in the NIH budget "would result in 33,000 fewer jobs across the U.S. and a \$4.5 billion decrease in economic activity." In May, Research!America warned that sequestration would negatively impact U.S. competitiveness just as other nations are aggressively boosting their investments in research and development.

If we are to address the health challenges of an aging and increasingly diverse population, and remain a vibrant force in the global economy, America needs more investment in medical research, not less. The members of the Ad Hoc Group urge Congress and the Administration to work together on a solution that avoids sequestration and the devastating impact of across-the-board cuts.

Sincerely,

A handwritten signature in black ink that reads "David B. Moore". The signature is written in a cursive style with a large initial 'D'.

David B. Moore  
Executive Director  
[dbmoore@aamc.org](mailto:dbmoore@aamc.org)