The NIH Investment in Medical Research
U.S. Medical Schools and Teaching Hospitals are Awarded More Than Half of All Extramural Funding

**Intramural Research**
$2.8 billion
Research conducted by the NIH's 6,000 scientists in its own laboratories.

**Extramural Research**
$23.4 billion
Research funding is provided through 48,000 grants awarded to 212,000 researchers at more than 3,000 institutions.

**U.S. Medical Schools and Teaching Hospitals**
$13.1 billion
($10.8 billion to medical schools and $2.2 billion to teaching hospitals)
Funding provided to researchers at the nation’s medical schools and many of the major teaching hospitals.

**Other Research Entities**
$8.0 billion
Funding provided to other U.S. universities and institutions of higher education, research institutes, independent hospitals, and non-profit institutions.

**Private Sector Entities**
$2.0 billion
Funding to private companies and corporations.

**Foreign Institutions**
$0.28 billion

* Based on 2005 funding; some figures are rounded
Source: The National Institutes of Health
Funding for the National Institutes of Health

The National Institutes of Health (NIH) is the principal federal funder of medical research. The NIH budget is established through the Congressional appropriations process. Throughout its history, the NIH has enjoyed strong bipartisan support, regardless of which party controlled the Congress.

Authorization for NIH

In the House of Representatives, NIH is within the jurisdiction of the House Energy and Commerce Committee and its Subcommittee on Health. In the Senate, the NIH falls within the purview of the Senate Health, Education, Labor and Pensions Committee. Although some NIH programs need periodic reauthorization, the Public Health Service Act provides a general, standing authorization for most of the NIH’s programs.

Appropriations for NIH

Funding for the NIH is contained in the annual Labor, Health and Human Services, Education and Related Agencies appropriations bill, developed by the House and Senate Labor, Health and Human Services, Education and Related Agencies Appropriations Subcommittees. Funding is divided among the NIH’s institutes and centers through a collaborative process involving Congress, the Executive Branch, HHS, and NIH.

Competing for NIH funds

Researchers at medical schools and teaching hospitals compete for much of this federal funding, which is available through the NIH’s extramural research program. Physicians and scientists (known as “principal investigators”) seeking financial support for a research project at their institution may apply for NIH funding, which is awarded in the form of grants, cooperative agreements, or research contracts. Grants, the largest category of funding, are available for one to five years. More than 40,000 funding applications are submitted to the NIH each year. These applications are subject to a peer-review process, as mandated by law. A national pool of research scientists helps the NIH select which applications will be approved for funding. The review of grant applications is done on the basis of scientific and technical merit, and in consideration of the sponsoring NIH institute’s program goals and available funds.