



January 30, 2014

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President Barack Obama
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. President,

On behalf of Research!America, the nation's largest nonprofit alliance focused on bolstering our nation's capacity to accelerate medical progress, I am writing for two purposes: First, to express our appreciation for the pro-innovation remarks you made during your State of the Union address, particularly your call for ending sequestration, reversing course to robustly invest in basic research, and assigning a higher priority to STEM education. We were deeply moved by your inspiring salute to Sgt. 1st Class Cory Remsburg. Meeting our responsibilities to heroes like Cory also speaks to the significance of steadfast support for medical and health research.

The second, and related, reason I am writing is to urge you to translate the support you expressed in your remarks for science and innovation into immediate action. Your desire to make this a "breakthrough year" is the perfect launch-pad for urging concrete action now. We ask that you weigh in -- during what could be a truncated FY15 appropriations process -- to re-establish medical progress as a top national priority. As you know, the National Institutes of Health (NIH) is funded at a lower level in FY14 than it was in FY12, contravening the rock solid logic for bolstering our investment in biomedical and health research. While in relative terms the National Science Foundation (BSF), the Centers of Disease Control and Prevention (CDC), the Food and Drug Administration (FDA) and the Agency for Healthcare Research and Quality (AHRQ) fared better, years of funding neglect sets the bar far too low when evaluating our commitment to the science these agencies support.

Capturing the immense economic potential inherent in life science exports; accelerating progress against the emotional and physical burdens borne by wounded warriors; eliminating or slowing the progression of Alzheimer's and other disabling, deadly and costly diseases; and assuring our nation is not dependent on other nations for countermeasures to combat

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bioterrorism, deadly pandemics, drug resistant strains of infection and other nascent national security threats depends on a federal funding strategy that enables accelerated medical progress. It further depends on a willingness by federal leaders to revisit deficit reduction proposals that would reverberate in ways damaging to human and economic progress.

Pragmatism calls for re-examining policy proposals included in past budgets aimed at reducing mandatory spending by cutting payments for pharmaceuticals, biologics and medical devices. As you know, peer countries impose price controls on medical advances, while the United States has historically closely adhered to free market principles in order to ensure that the life sciences sector attracts the high-risk capital needed to cover the steep costs of medical discovery. Ideally, other developed nations would not set price levels that severely restrict medical discovery, leaving the United States to bear more of those costs. But particularly when medical progress, U.S. jobs and our nation's ability to compete in the global economic arena hang in the balance, it is crucial for U.S. policy making to reflect the circumstances as they are, not as we would wish them to be. Along those lines, while it may be expedient to require deep rebates for Medicare Part D-covered medicines, increase the rebates already in place for Medicaid, and pursue additional cuts to Medicare Part B reimbursement for medicines and medical devices, that does not mean it is smart policy. The dangers of gambling with the future of our life sciences sector must be taken far more seriously given the enormity of the benefits that sector delivers to America and Americans.

By elevating the priority of medical and health research, our nation can seize the opportunity to grow our economy, confront a major driver of the federal deficit, advance the well-being of our troops, bolster our national defense, and address Americans' demonstrated concern that our nation is losing its global leadership in scientific and medical innovation. Advancing all of these objectives at once may seem implausible, but they share a common denominator: a thriving public and private sector life sciences ecosystem.

Mr. President, Research!America appreciates your vocal support for scientific progress, including much needed medical innovation. In that spirit, we ask that you use your executive authority and work closely with Congress to execute strategies this year aimed at accelerating medical progress as a pragmatic imperative and top national priority.

Sincerely,

A handwritten signature in cursive script that reads "Mary Woolley".

Mary Woolley
President and CEO, Research!America