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November 5, 2013

The Honorable Patty Murray
Budget Committee Chairman
624 Dirksen Senate Office Building
United States Senate
Washington, D.C. 20510

The Honorable Paul Ryan
Budget Committee Chairman
207 Cannon House Office Building
United States House of Representatives
Washington, D.C. 20515

The Honorable Jeff Sessions
Budget Committee Ranking Member
624 Dirksen Senate Office Building
United States Senate
Washington, D.C. 20510

The Honorable Chris Van Hollen
Budget Committee Ranking Member
B71 Cannon House Office Building
United States House of Representatives
Washington, D.C. 20515

Dear Chairmen Murray and Ryan and Ranking Members Sessions and Van Hollen,

On behalf of Research!America, the nation's largest advocacy and public education alliance committed to advancing medical research and development and health research, I recently wrote to you about the pragmatic and qualitative rationale for assigning a high priority to funding for medical research. In that letter I indicated that Research!America would follow up with you regarding the similarly compelling rationale for championing, rather than disinvesting in, health research.

I would first like to clarify that for our nation's economy to fully bounce back and to honor the priorities of the American people, Congress must eliminate sequestration as a whole and for good. As Gerald F. Seib said in a recent Wall Street Journal article: "Basic research – the kind in which nobody is sure where the inquiry is heading until it finds that pot of gold – has been worth billions of dollars to American businesses over the decades." And a deep cut to federally-funded basic research is just one dangerous consequence of sequestration. It cuts arbitrarily across every priority Americans have asserted through the Democratic process, and that is simply unacceptable.

Regarding health research, funding cuts – obviously those through sequestration and also those pursued through the appropriations process – are simply unjustifiable. In fact, common sense points to increasing the level of this high return investment.

Health research saves lives. Health research, including studies on prevention, health care delivery and services, and treatment effectiveness, allows us to maximize our investment in biomedical research. That is because health research translates biomedical findings into meaningful improvements in health care. In order to benefit from basic and clinical research discoveries, we need to know how best to implement these advances to improve health outcomes. For example, because of health research, hospitals in all 50 states can implement

proven strategies to reduce hospital acquired infections in order to optimize the use of resources and achieve the highest success rates possible. We know that health research works – for example, communities that have invested in researching public health delivery have reduced mortality rates in the leading causes of death, including cancer, diabetes, and cardiovascular disease. Research conducted at the National Institutes of Health (NIH) through the health economics program teaches the most effective strategies to improve the efficiency and effectiveness of medical care, including adoption of new medical technologies. Simply stated, health research translates medical breakthroughs into improved human health, ensuring that dollars invested in medical research achieve invaluable returns for the American people.

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Health research saves money. It helps policymakers and administrators determine the best course of action in both the health care financing and delivery arenas. Health research plays a critical role in our efforts to reduce the ballooning costs of medical care. Of particular concern are the current and projected costs of federal health care entitlements like Medicare. These programs make up over 20 percent of federal spending today, and the higher spending associated with caring for an aging population could increase this percentage significantly over time. Nearly half of all Americans are living with at least one chronic health condition, placing an excessive fiscal strain on our already overextended healthcare system. Research supported by the Centers for Disease Control and Prevention (CDC) to prevent, slow or delay the onset of chronic conditions can result in substantial cost savings. For instance, we know that preventing as few as five percent of new cases of chronic conditions, including obesity and related complications, would reduce Medicare and Medicaid spending by nearly \$5.5 billion a year by 2030.

Health services research that evaluates program efficiency and effectiveness is essential to keeping costs low. The Agency for Healthcare Quality and Research (AHRQ) has been active in this area, supporting research to identify inefficiencies in health care delivery that inflate the cost of public and private insurance. For example, AHRQ research has found that integrating primary care and mental health care saves 20 percent in health care costs.

Health economics research is also critical to pinpoint cost determinants of medical care. For instance, CDC research found that every \$1 spent to fluoridate water yields nearly \$40 in saved dental treatment costs. These findings, paired with other variables such as public input, provide meaningful information for policymakers weighing the pros and cons of public policy options.

Cuts to health research funding precipitated by sequestration are a concrete example of discretionary budget cuts that actually compromise the goals of deficit and debt reduction. Similarly, reducing investments in behavioral and social sciences research funded by NIH and the Department of Defense (DOD) is hugely shortsighted. The lessons learned from the social and behavioral sciences are intrinsic to shaping public policy in health and health care. Understanding how patients respond to interventions designed to aid in health-optimizing decision-making is fundamental to allocating health resources efficiently. Health status is inexorably tied to an individual's access to, interest in, and understanding of pertinent information, their perception of health care interventions, and their social networks and relationships. Understanding the spectrum of results across these behavioral and social variables and how they influence health outcomes is essential to achieving and maintaining a healthy society, while minimizing waste and inefficiencies. Providing robust funding for health, behavioral and social sciences research is therefore crucial to our health and economic prosperity.

We understand that there is important work ahead of the budget conference committee, and firmly believe that elevating the importance of health research at NIH, CDC, AHRQ and other agencies in your upcoming meetings will benefit the health of Americans and reduce the deficit and debt burden facing our nation. Thank you for your consideration.

Sincerely,

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

Mary Woolley
President and CEO, Research!America

cc: Conference Committee Members