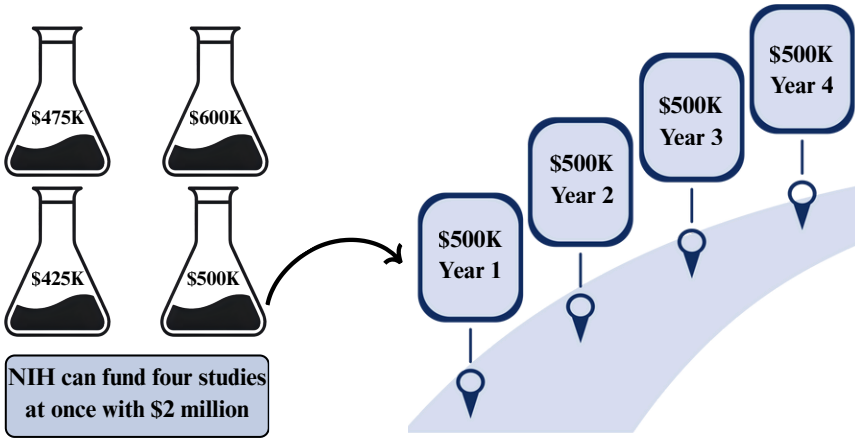
ACT for NIH
ADVANCING CURES TODAY

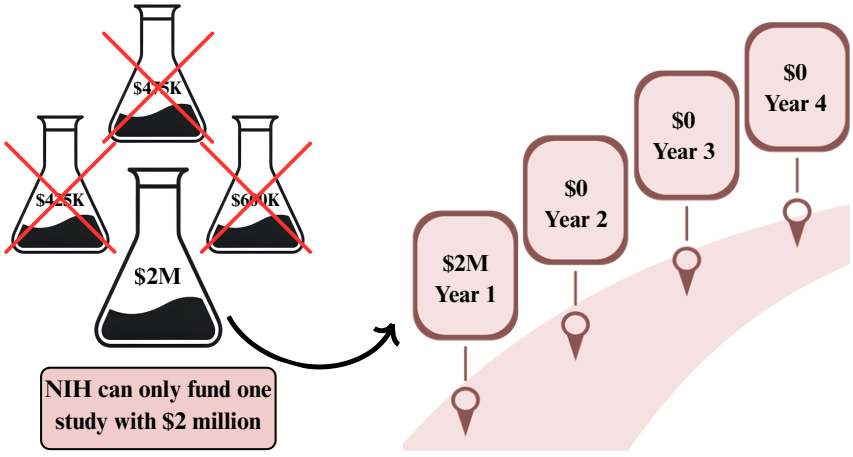
Increased Use of Multi-Year Funding Reduces Chances of Research Ideas Being Funded, Postponing Cures & Therapies

In the FY26 President's Budget, OMB required NIH to substantially increase the number of multi-year awards (or forward fund awards) instead of funding grants one year at a time.

Typically, NIH pays out each four year grant (e.g., $2 million) one year at a time (e.g., $500,000) as the research is conducted.



Under the new OMB policy to increase the use of multi-year funding, NIH obligates the entire cost of the $2 million grant in the first year, but cannot fund the other three grants.



The widespread use of this multi-year funding policy leads to:

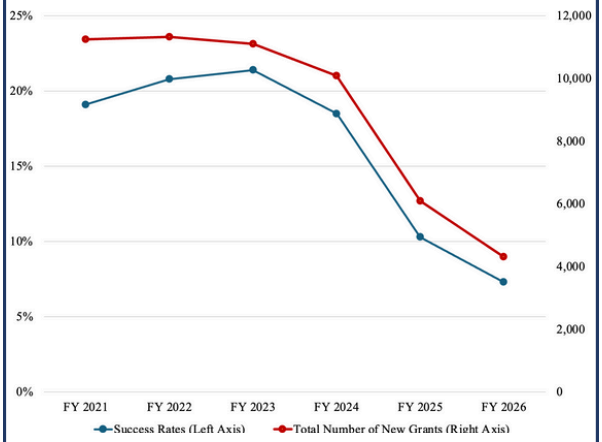
- Unfunded promising research proposals;
- Reduced support for early-career researchers;
- Decreased chances of securing an NIH grant (i.e., lower success rates); and
- Weakened accountability and oversight of federal investments.

Immediate Implications: Fewer Ideas Pursued, Slowing Medical Progress

Agency-wide, NIH awarded thousands of fewer grants in FY25 compared to FY24.

The National Cancer Institute awarded ~300 fewer grants in FY25, only funding 400 instead of the anticipated 700.

NIH Grant Proposal Success Rates & Total Number of New Grants from FY21-26 President's Budget



Success rates and new grants plummeted in FY25 due to massive increases in multi-year funding – the NIH CJ estimates a greater drop in FY26 due to continued multi-year funding plus proposed budget cuts.

To curb this policy, the FY26 Senate L/HHS bill limited the number of multi-year awards to no more than NIH made in FY24.

Sources: *CLS Objects to Multi -year funding proposal. Coalition for Life Sciences.; NIH FY 2026 CJ Overview. National Insitutes of Health.; Lowy: Forward-funding policy forced NCI to drastically reduce RPG awards funded for FY25. Cancer Letter.; After lagging far behind, NIH now seems on pace to spend its entire $47 billion budget by Sept. 30. Stat News. FY2026 Labor-HHS-Education and Related Agencies Appropriations Full Committee Manager's Package.; Senate Appropriations Committee*