

## New report: US investment in health research remains stagnant

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The U.S. public and private sectors invested \$140.5 billion in 2010 on research to find new ways to treat, cure and prevent disease and disability, according to Research!America's latest annual estimate, available at <u>http://www.researchamerica.org/uploads/healthdollar10.pdf</u>.

Health research spending accounted for only 5.5% of the \$2.6 trillion the U.S. spent on health care in 2010. <u>Health research</u> as a percentage of <u>health care spending</u> has hovered around 5.5% since 2005, remaining essentially stagnant.

Investment in health research experienced only a 1% growth over 2009 levels, from \$139 billion in 2009 to \$140.5 billion in 2010. This small increase was not enough to keep pace with the rise in the cost of conducting health research.

"These findings are alarming," said Research!America's chair, former Congressman John E. Porter. "When health research funding stays flat, medical progress stalls, our innovation economy is affected and American jobs are lost."

Federal funding for research conducted by the National Institutes of Health in 2010 supported nearly 500,000 jobs and produced \$68 billion in <u>economic activity</u> according to a report released earlier this year by United for <u>Medical Research</u> (UMR).

"A nation receives great economic and <u>health benefits</u> from its



investment in medical and health research," said Mary Woolley, president and CEO of Research!America. "Other nations have learned this lesson from the U.S. and are now outstripping us in the pace they are ramping up their investment."

"We urge President Obama to include sustained, strong investment in research as a core component of the jobs plan he will be introducing to the <u>Congress</u> and the nation this evening," she added.

According to Research!America's 2010 U.S. Investment in Health Research report, industry was the largest source of health research funding in 2010 at \$76.5 billion, which represents a 2.9% increase over 2009. Federal funding went from \$46.8 billion in 2009 to \$45.9 billion in 2010, experiencing a decrease. Health research spending at universities increased by 5.6% over 2009. Philanthropic investment in health research decreased by 19% over 2009. The voluntary health organization sector saw a decrease in health research spending of 13%.

Provided by Research!America

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