

HEALTH AND HUMAN SERVICES

Resolution HHS-16-29

ACCELERATING MEDICAL INNOVATION TO SAVE AMERICAN LIVES, REDUCE BURDEN ON HEALTHCARE, IMPROVE THE ECONOMY AND RESTORE AMERICA'S LEADERSHIP IN BIOMEDICAL RESEARCH

WHEREAS, the National Black Caucus of State Legislators (NBCSL) maintains a strong commitment to assuring the position of the United States as the world leader in biomedical innovation and therefore, supports policies in order to accelerate research and drug discovery in the U.S.;

WHEREAS, the U.S. economy benefits from biomedical research conducted in this country. Today, the research-driven biopharmaceutical industry employs more than 810,000 people directly and supports a total of 3.4 million jobs across the country;

WHEREAS, biomedical research produces tax revenues that support government programs and services. In 2010, the activity related to the Human Genome Project generated \$6.0 billion in federal, state, and local taxes. With just that one year's incremental tax revenue resulting from the Human Genome, the government recouped 97 percent of its 13-year investment in the Project;

WHEREAS, biomedical breakthroughs save American lives and contribute economic activity. Since 1990, cancer patients have enjoyed 50 million additional years of life and generated \$4.7 trillion in additional economic value, with 83 percent of life expectancy gains attributable to new treatments;

WHEREAS, investment in biomedical research and development is high risk and can reach in the billions of dollars and take more than a decade, with only 12 percent of medicines that even reach clinical trials making it to FDA approval. A 2010 Tufts University study puts the average cost of developing one innovative medicine in the U.S., including the R&D costs for the many promising candidates that don't make it to approval, at upwards of \$2.6 billion;

WHEREAS, the incidence of chronic diseases, such as Cancer and Alzheimer's disease, are expected to escalate in the years ahead, burdening the health U.S. healthcare system and threatening economic growth. Curing diseases like these will require substantial investments of time and money, but the returns in longer lives and stronger economic growth are substantial. A new medicine that delayed the onset of Alzheimer's by just five years could avoid almost \$200 billion in Medicaid spending mostly for long-term care by 2035;

WHEREAS, the Congressional Budget Office reports that a 1 percent increase in the number of prescriptions filled results in a 0.20 percent decrease in spending on other medical services, such as emergency department visits and hospitalizations, illustrating the impact innovative medicines have on reducing other health care spending; and

WHEREAS, the NBCSL believes that new policies are needed to keep the research pipeline flowing in the U.S., including policies that support continued innovation and incentive for investment in research and development.

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THEREFORE BE IT RESOLVED, that the National Black Caucus of State Legislators (NBCSL) supports increasing federal research funding for the National Institutes of Health;

BE IT FURTHER RESOLVED, that NBCSL recognizes the importance of policies that will continue to incentivize the long-term, high-risk private investment needed for new medical breakthroughs in the future; and

BE IT FINALLY RESOLVED, that a copy of this resolution be transmitted to the President of the United States, the Vice President of the United States, members of the United States House of Representatives and the United States Senate, and other federal and state government officials as appropriate.

SPONSOR: Senator Donne Trotter (IL)

Committee of Jurisdiction: Health and Human Services Policy Committee

Certified by Committee Co-Chairs: Representative Mia Jones (FL) and Senator Shirley Nathan Puliam (MD)

Ratified in Plenary Session: Ratification Date is December 4, 2015

Ratification is certified by: Senator Catherine Pugh (MD), President