

# A History of NIH Funding: Fact Sheet

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## A History of NIH Funding

The National Institutes of Health (NIH) is the primary federal agency charged with conducting and supporting biomedical and behavioral research. Its activities cover a wide range of basic, clinical, and translational research, focused on particular diseases, areas of human health and development, or more fundamental aspects of biomedical research. Its mission also includes research training and health information collection and dissemination.<sup>1</sup> About 83% of the NIH budget funds extramural research through grants, contracts, and other awards.<sup>2</sup> This funding supports research performed by more than 300,000 non-federal scientists and technical personnel who work at more than 2,500 universities, hospitals, medical schools, and other research institutions around the country and abroad.<sup>3</sup> About 11% of the agency's budget supports intramural research performed by NIH scientists and non-employee trainees in the NIH laboratories and Clinical Center; the remaining 6% funds research management, support, and facilities' needs.<sup>4</sup>

Almost all of NIH's funding is provided in the annual Departments of Labor, Health and Human Services, Education, and Related Agencies appropriations act. In addition to its regular annual appropriations, NIH received a total of \$10.4 billion in supplemental FY2009 appropriations in the American Recovery and Reinvestment Act (ARRA) of 2009 (P.L. 111-5). ARRA funds were made available for obligation for two years; \$4.95 billion was obligated in FY2009, and \$5.45 billion in FY2010.<sup>5</sup>

**Table 1** outlines NIH program level funding over the past 20 years. Between FY1994 and FY1998, funding for NIH grew modestly from \$11.0 billion to \$13.7 billion. Over the next five years, Congress doubled the NIH budget to \$27.2 billion in FY2003. In each of these years, the agency received annual funding increases of 14% to 16%. Since FY2003, however, NIH funding has increased more gradually. Funding peaked in FY2010 before declining in FY2011, and again in FY2013.<sup>6</sup>

These funding trends are illustrated in **Figure 1** in both current and constant (i.e., inflation-adjusted) 2003 dollars. The top half of **Figure 1** illustrates NIH funding in *current dollars* over the period of FY1994 through FY2015 (budget request). Increases during the post-doubling period have been between about 1% and 3% each year, with three exceptions:

<sup>1</sup> For further information on NIH, see CRS Report R43304, *Public Health Service Agencies: Overview and Funding*, coordinated by C. Stephen Redhead.

<sup>2</sup> Department of Health and Human Services, *Fiscal Year 2015 Budget in Brief*, Washington, DC, March 4, 2014, p. 39, <http://www.hhs.gov/budget/fy2015/fy-2015-budget-in-brief.pdf>.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid., see also p. 42.

<sup>5</sup> CRS Report R43304, *Public Health Service Agencies: Overview and Funding*, coordinated by C. Stephen Redhead.

<sup>6</sup> Amounts shown in **Table 1** include appropriations for the Global Fund to Fight AIDS, TB, and Malaria (FY2002-FY2011) that were subject to transfer-out. As of FY2012, NIH no longer receives appropriations for the National Institute of Allergy and Infectious Diseases (NIAID) identifying resources for the Global Fund; this responsibility was transferred to another federal agency. For further details on the amounts transferred out by fiscal year, see the "Supplemental Appropriation Data Table" for "History of Congressional Appropriations, Fiscal Years 2000-2012" at [http://officeofbudget.od.nih.gov/approp\\_hist.html](http://officeofbudget.od.nih.gov/approp_hist.html).

- the FY2006 total was 0.1% lower than the previous year, the first time that the NIH appropriation had decreased since FY1970;
- the FY2011 total, provided in the Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10), was 1.0% below the previous year; and
- the FY2013 total, provided in the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6), was reduced by the March 2013 sequestration and a transfer of funding under the authority of the HHS Secretary (\$1.553 billion and \$173 million respectively), resulting in a budget that was 5.5% lower than the prior year.<sup>7</sup>

For FY2015, the President's budget requests a program level total of \$30.362 billion for NIH, an increase of \$211 million (0.7%) over the FY2014 the level of \$30.151 billion. Supplemental funding for NIH in FY2015 has also been requested under the President's Opportunity, Growth, and Security Initiative.<sup>8</sup>

The lower half of **Figure 1** portrays NIH funding adjusted for inflation (in constant 2003 dollars) using the Biomedical Research and Development Price Index (BRDPI).<sup>9</sup> It shows that the purchasing power of NIH funding (non-ARRA) peaked in FY2003 (the last year of the five-year doubling period) and has steadily declined in the years since. In constant 2003 dollars, FY2014 funding is 22% lower than the FY2003 level.

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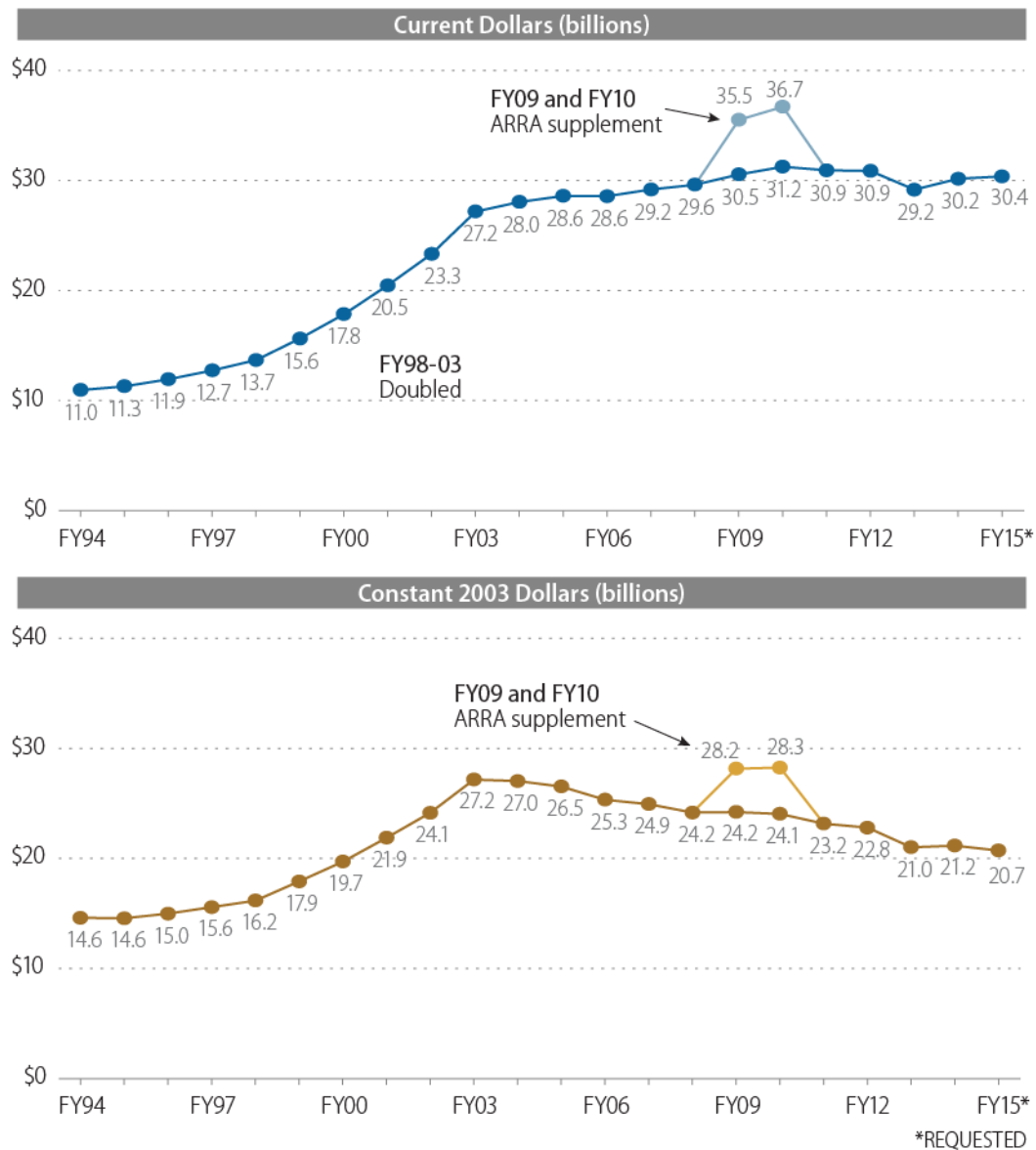
<sup>7</sup> The FY2012 amount of \$30.861 billion appears to be 0.2% below the FY2011 amount of \$30.916 billion. However, the FY2011 amount includes \$297.3 million that was subject to transfer-out for the Global Fund to Fight AIDS, TB, and Malaria.

<sup>8</sup> NIH would receive an additional \$970 million to increase the NIH budget to a total program level of \$31.3 billion in FY2015. This supplemental funding is not reflected in **Figure 1** or **Table 1**.

<sup>9</sup> The index is developed each year for NIH by the Bureau of Economic Analysis of the Department of Commerce. It reflects the increase in prices of the resources needed to conduct biomedical research, including personnel services, supplies, and equipment. It indicates how much the NIH budget must change to maintain purchasing power. See "NIH Price Indexes," at <http://officeofbudget.od.nih.gov/gbiPriceIndexes.html>.

**Figure 1. National Institutes of Health (NIH) Appropriations,  
FY1994-FY2015 request**

Program Level Funding in Current and Constant (2003) Dollars



**Sources:** NIH Budget Office, Appropriations History by Institute/Center (1938 to Present), at [http://officeofbudget.od.nih.gov/approp\\_hist.html](http://officeofbudget.od.nih.gov/approp_hist.html), and Department of Health and Human Services, *Fiscal Year 2015 Budget in Brief*, Washington, DC, March 4, 2014, p. 38, <http://www.hhs.gov/budget/fy2015/fy-2015-budget-in-brief.pdf>. Inflation adjustment reflects the Biomedical Research and Development Price Index (BRDPI), updated Jan. 15, 2013, <http://officeofbudget.od.nih.gov/gbiPriceIndexes.html>.

**Notes:** Program Level includes all budget authority including appropriations for the Global Fund to Fight AIDS, TB, and Malaria (FY2002-FY2011) that were subject to transfer-out. As of FY2012, NIH no longer receives appropriations for the National Institute of Allergy and Infectious Diseases (NIAID) identifying resources for the Global Fund; this responsibility was transferred to another federal agency. Excludes other transferred amounts to and from HHS accounts in some years. ARRA supplementary funding is from the American Recovery and Reinvestment Act of 2009, P.L. 111-5.

**Table 1. NIH Appropriations, FY1994–FY2015 Request**  
Program Level Funding in Current and Constant (2003) Dollars (billions)

| Fiscal Year   | Program Level | % Change | Program Level Constant '03 \$ | % Change | % Loss below '03 |
|---|---------------|----------|-------------------------------|----------|------------------|
| 1994  | \$10.956      |          | \$14.608                      |          |                  |
| 1995  | 11.300        | 3.1%     | 14.562                        | -0.3%    |                  |
| 1996  | 11.928        | 5.6%     | 14.988                        | 2.9%     |                  |
| 1997  | 12.741        | 6.8%     | 15.576                        | 3.9%     |                  |
| 1998  | 13.675        | 7.3%     | 16.170                        | 3.8%     |                  |
| 1999  | 15.629        | 14.3%    | 17.914                        | 10.8%    |                  |
| 2000  | 17.841        | 14.1%    | 19.714                        | 10.0%    |                  |
| 2001  | 20.459        | 14.7%    | 21.879                        | 11.0%    |                  |
| 2002  | 23.321        | 14.0%    | 24.141                        | 10.3%    |                  |
| 2003  | 27.167        | 16.2%    | 27.167                        | 12.5%    |                  |
| 2004  | 28.037        | 3.2%     | 27.030                        | -0.5%    | -0.5%            |
| 2005  | 28.594        | 2.0%     | 26.535                        | -1.8%    | -2.3%            |
| 2006  | 28.560        | -0.1%    | 25.331                        | -4.5%    | -6.8%            |
| 2007  | 29.179        | 2.2%     | 24.933                        | -1.6%    | -8.2%            |
| 2008  | 29.607        | 1.5%     | 24.168                        | -3.1%    | -11.0%           |
| 2009  | 30.545        | 3.2%     | 24.224                        | 0.2%     | -10.8%           |
| 2010  | 31.238        | 2.3%     | 24.056                        | -0.7%    | -11.4%           |
| 2011  | 30.916        | -1.0%    | 23.164                        | -3.7%    | -14.7%           |
| 2012  | 30.861        | -0.2%    | 22.795                        | -1.6%    | -16.1%           |
| 2013  | 29.151        | -5.5%    | 21.017                        | -7.8%    | -22.6%           |
| 2014  | 30.151        | 3.4%     | 21.168                        | 0.7%     | -22.1%           |
| 2015 (request)                                      | 30.362        | 0.7%     | 20.725                        | -2.1%    | -23.7%           |
| <b>NIH Appropriations including ARRA Supplement</b> |               |          |                               |          |                  |
| 2009  | 35.499        |          | 28.153                        |          |                  |
| 2010  | 36.684        |          | 28.250                        |          |                  |

**Source:** NIH Budget Office, Appropriations History by Institute/Center (1938 to Present), at [http://officeofbudget.od.nih.gov/approp\\_hist.html](http://officeofbudget.od.nih.gov/approp_hist.html), and Department of Health and Human Services, *Fiscal Year 2015 Budget in Brief*, Washington, DC, March 4, 2014, p. 38, <http://www.hhs.gov/budget/fy2015/fy-2015-budget-in-brief.pdf>. Inflation adjustment reflects the Biomedical Research and Development Price Index (BRDPI), updated January 10, 2013, <http://officeofbudget.od.nih.gov/gbiPriceIndexes.html>.

**Notes:** Program Level includes all budget authority, including appropriations for the Global Fund to Fight AIDS, TB, and Malaria (FY2002-FY2011) that were subject to transfer-out. As of FY2012, NIH no longer receives appropriations for the National Institute of Allergy and Infectious Diseases (NIAID) identifying resources for the Global Fund; this responsibility was transferred to another federal agency. Excludes other transferred amounts to and from HHS accounts in some years. ARRA supplementary funding is from the American Recovery and Reinvestment Act of 2009, P.L. 111-5.

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