

Fostering Medical Innovation in Health Care Reform

Bioscience Business Roundtable
Wednesday, December 20, 2009





Fostering Medical Innovation

- How the biopharmaceutical industry is driving innovation and the economy
- Limitless opportunities / growing challenges
- Moving an innovation agenda
- Where do we go from here?



Advancements in Treatment & Prevention

- Since 1980, life expectancy for cancer patients has increased by 3 years
- Heart failure and heart attack deaths fell by 45% in the last decade
- Within 3 years of introduction of the first antiretroviral treatment, HIV/AIDS deaths dropped by nearly 70 percent



World-class Jobs

- 3.2 million jobs across the economy
 - 3.7 jobs outside the sector for every direct job
 - Double the average employment growth of other sectors combined between 1996 – 2006
- High wages contribute to tax base
 - Average wage is \$88,900 / year
 - Employees pay an average of 3 times more taxes than those in other industries
- Contribution to GDP
 - Triple the average of other sectors
 - 71 percent higher contribution per employee



...and here in Washington

- Supported 67,606 jobs in Washington in 2006
 - 19,291 directly in the sector
 - 48,315 in other sectors
- Direct wages of \$1.6 billion in 2006
 - \$371.5 million in federal taxes
- Nearly 21,795 studies to develop new medications
 - 2,191 of those were active in Washington

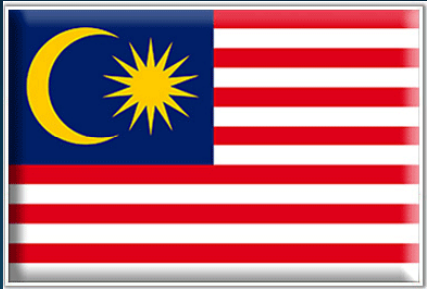


Opportunities / Challenges

- Mapping the human genome
- Disease management and eradication
- Personalized medicine
- Development is more costly
- Harder to achieve market share
- Declining sources of funding

Opportunities / Challenges

- Global Competition





Opportunities / Challenges

- Mounting economic pressure
- Loss of capital and talent
- Contracting industry
- Slower discovery of new medicines
- Surrender America's scientific leadership
- High wage jobs / economic vitality
- Magnet for talent and research
- Thriving industry advancing research
- Speed entry to market
- Fulfill America's promise as leader in medical innovation



Where do we go from here?

- Renewed focus on math and science
- Policies to attract and retain the best and brightest talent
- Collaborative private and public sector investments in R&D
- Tax and IP policies that will attract private R&D investors
- Incentives for innovation clusters
- Market-based system that encourages competition (as opposed to price controls)
- Increased access for all



Where do we go from here?

- Gallup Poll, November 9, 2009
 - 36% believe reforms will make their health care situation worse
 - 26% believe reforms will make their health care situation better
- Rasmussen Poll, November 9, 2009
 - 52% are opposed to House bill proposals



Where do we go from here?

- House vote on November 7 (220 yea / 215 nay)
- Senate vote to begin debate (60 yea / 39 nay)
- Senate debate on amendments began Monday, November 30
- Cloture vote (60 votes required)
- Senate adoption
- Senate bill goes to the House
- House approval
- Bill goes to President Obama for his signature

Questions ??

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