American College of Rheumatology
Empowering Rheumatology Professionals

Empowering *Rheumatology Professionals*
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Invest in the National Institutes of Health

An estimated 60 million people, or one in four adults, have doctor-diagnosed arthritis, according to the Centers for Disease Control and Prevention (CDC). A recent study suggests the number could be as high as 91 million, meaning it is likely that closer to one in three adults are living with arthritis. Additionally, there are an estimated 300,000 children in the U.S. with juvenile arthritis requiring specialized care by a pediatric rheumatologist.

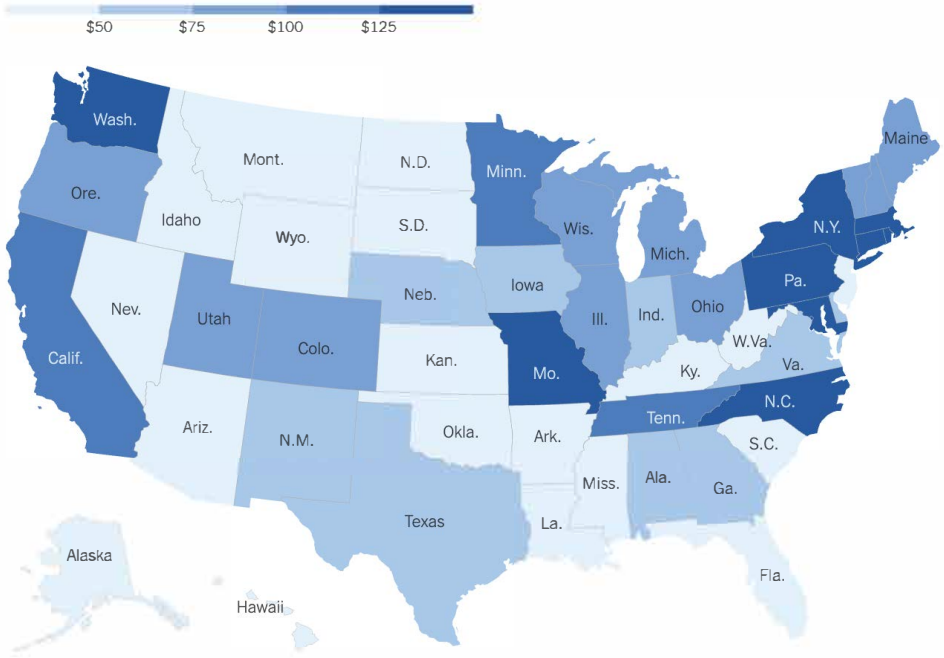
Considering these statistics, it is unsurprising that arthritis is our country's leading cause of disability. The impact of this disease and those like it affects all Americans. **Rheumatic diseases generate $140 billion in medical costs each year, with an estimated $164 billion in lost wages and productivity–a combined amount of $304 billion (about $940 per person), which is greater than the total cost of cancer.**

Medical research funded by the National Institutes of Health (NIH) accelerates treatment breakthroughs, creates jobs and grows local economies in communities across the country, reduces healthcare costs, and fosters U.S. leadership in biomedical innovation. Biologics and biosimilars–novel therapies developed with living cells–have revolutionized rheumatic disease intervention and treatment. The basic and translational research that made these therapies possible can be traced back to NIH research. Crucially, federally funded research explores hypotheses that private funding will not examine until a pathway to potential profit is clear.

The NIH's Role in Our Community

The NIH funds research in all 50 states and the District of Columbia, supporting more than 400,000 scientists at 2,400 research institutions across the U.S. **For every $1 of NIH funding, more than $2 in local economic growth is generated.**

NIH Funding in 2024



Based on spending in the 2024 fiscal year. Source: https://www.nytimes.com/interactive/2025/02/13/upshot/nih-trump-funding-cuts.html

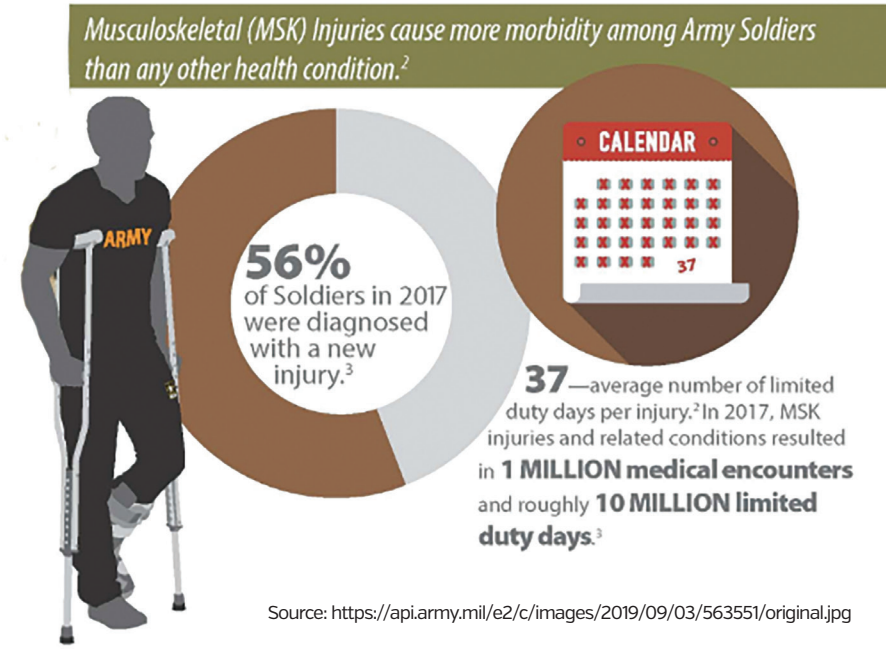
Yet, despite finding revolutionary disease interventions, conducting research that private entities are unwilling to, and growing the economies of our communities, federal investment in the NIH is under threat. The NIH seeks to impose a 15% cap on facilities and administrative (F&A) cost reimbursement, or "indirect costs," for all grantees, replacing the rates individually negotiated by institutions. **This proposed arbitrary cap threatens the future of biomedical research and innovation,** as these necessary resources cover utilities, facility maintenance, library services, and administrative support essential for research.

Differing from direct costs of research, F&A costs include shared resources across multiple projects that remain essential to functionally conduct research at the institution. Currently, F&A rates are negotiated between the Department of Health and Human Services (HHS) and the grant recipient university or hospital every five years. The institution's F&A cost rate is a percentage of a subset of the research project's direct costs, not a percentage of the total grant. F&A reimburses the institution for expenses incurred while conducting grant-funded research. This reimbursement mitigates the high cost of facilitating research, but does not fully cover expenses. For example, in FY2023, universities spent nearly $1 billion, in addition to the HHS reimbursements provided, on F&A costs.

In 2018, a cap on F&A reimbursements was first proposed. To protect this funding, language prohibiting the administration from making changes to F&A cost rates was added to Section 224 of the Labor-HHS-Education Appropriations Bill. This language and policy remain in place.

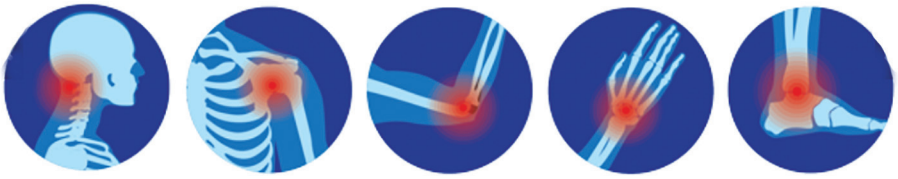
ASK: Congress must protect Section 224, language codifying that the Department of Health and Human Services may not pursue policy contrary to the existing indirect cost limit regulations set in FY 2018.

Arthritis, the Second Leading Cause of Medical Discharge, Defunded in the Department of Defense



Source: https://api.army.mil/e2/c/images/2019/09/03/563551/original.jpg

95% of medical discharges among Iraq and Afghanistan veterans injured in combat were due to arthritis.



Source: https://www.mdedge9-ma1.mdedge.com/fedprac/article/256239/federal-health-care-data-trends-2022-rheumatologic-diseases

Arthritis is the second leading cause of medical discharge from the U.S. Army following only battlefield wounds, and carries with it enormous physical, financial, and societal costs for servicemembers and veterans. The physical demands of military service contribute to high impact injuries. As a result, a disproportionate and younger population of service members struggle with debilitating joint pain, activity limitations, and risks associated with injuries and resulting medical procedures.

- Arthritis is the leading cause of disability among veterans: 1 in 3 are doctor diagnosed.
- **Rates of osteoarthritis (OA) are 26% higher for servicemembers between age 20 and 24 compared with the same age group in the general population.**
- Service members over age 40 are twice as likely to develop OA after returning to civilian life.

Research to prevent or mitigate the effects of arthritis on military service was being conducted at the Department of Defense in the Congressionally Directed Medical Research Program (CDMRP). This research aimed to enhance military readiness by modifying training protocols and better preparing our military to complete their missions without incurring injuries that lead to arthritis. The arthritis line item in the CDMRP was defunded in the March 2025 reconciliation package.

CONGRESS MUST: Reappropriate dedicated CDMRP funding at the FY2024 funding level of at least $10 million to accelerate arthritis prevention strategies and treatment breakthroughs. ■