

The College on Problems of Drug Dependence



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The Honorable Robert F. Kennedy, Jr. Secretary U.S. Department of Health & Human Services 200 Independence Ave SW Washington, DC 20201

February 14, 2025

Dear Secretary Kennedy:

On behalf of the Friends of NIDA (FoN), the College on Problems of Drug Dependence (CPDD), and the undersigned organizations, we express our strong opposition to the National Institutes of Health's Notice Number NOT-OD-25-068, "Supplemental Guidance to the 2024 NIH Grants Policy Statement: Indirect Cost Rates." CPDD is a membership organization with over 1,100 members that has been in existence since 1929. CPDD is the longest standing organization in the United States addressing problems associated with the use of drugs, including substance use disorders. FoN is an organization comprised of a group of individuals, scientific and professional societies, patient groups, and other organizations committed to the elimination of drug misuse and substance use disorders through education, advocacy, and the promotion of broad public and private support for the research agenda of the National Institute on Drug Abuse.

The NIH Supplemental Guidance imposes a new 15% standard indirect cost rate across all NIH grants in place of separately negotiated existing rates for indirect costs with each research institution. This change, a significant reduction from existing negotiated rates, will abruptly remove millions of dollars in operating funds from research institutions across U.S. states and counties and in doing so will fundamentally reduce the current U.S. research enterprise. Indirect funds are critical to the research enterprise because they pay for the infrastructure necessary for scientific discovery, including personnel who oversee regulatory compliance, committees that monitor participant safety, core basic science facilities, state-of-the-art equipment and high-speed data processing, and hazardous waste disposal. Without this infrastructure, the United States stands to lose its position as the international leader in scientific discovery. Specific indirect rates are customized for individual organizations following a carefully negotiated process that addresses costs at each institution, and therefore should not be universally determined at a standard rate. Moreover, indirect funding is not done only by NIH, but is also a feature of grants funded by the Department of Defense and National Science Foundation.

Direct and indirect funding from NIH is fundamental to the United States' research enterprise. NIH funding contributed to 99.7% (386/387) of products approved by the Food and Drug Administration (FDA) between 2010-2019. NIH is also significantly more likely than private industry to fund discovery leading to FDA approval of medications; a study of more than 300,000 filed patents revealed that 84% were related to NIH-funded projects. The uniform reduction of indirect rates to 15% will abruptly halt this work. It will cause immediate discontinuation of clinical trials for new therapies, halt the training of new scientists, prompt mass layoffs of expert faculty and staff, and threaten our standing as an international leader in research and development.

Rejecting the uniform reduction in indirect rates to 15% is especially crucial to progress in the field of drug addiction, where we are continuing to face an unrelenting crisis. In the past decade, we have lost more than 1 million Americans to drug overdose deaths, and currently more than 48 million people aged 12 years and older are suffering with addiction. Consequences of alcohol, tobacco, and illicit drug consumption cost the U.S.

\$740 billion annually in healthcare, crime, and lost work productivity. We need new medications to treat addiction related to fentanyl and are on the verge of breakthrough strategies to treat cocaine and methamphetamine use disorders. Research to address these public health challenges would largely cease under NOT-OD-25-068.

Conversely, investment into this field yields positive results. In 2023, deaths from overdose have started to decline following several efforts that were bolstered by research funded through the NIH HEAL (Helping to End Addiction Long-Term) Initiative created by President Trump in 2017. This investment has been instrumental for developing new treatments to address the opioid overdose crisis. Now is **not** the time to curtail our nation's commitment to tackling the overdose crisis and to the necessary resources to develop new treatments and cures for substance use disorders.

We call on you to protect our nation's investment in research and standing as an international leader in scientific discovery by withdrawing NOT-OD-25-068 and the uniform reduction of NIH indirect funding to 15% and ensuring indirect funding continues at the negotiated rates. We emphasize that **increasing** our nation's investment in research and development via the NIH and NIDA is crucial support for our scientists who are poised to capitalize on several recent advances in genetics, neuroscience, and developmental biology to create breakthrough treatments that could revolutionize care and reduce associated public health and safety problems. We must maintain the action catalyzed by the NIH HEAL initiative and continue our nation's cutting-edge research to develop treatments for opioid, cocaine, and methamphetamine addictions. By supporting continued indirect funding at the negotiated rates, you will protect thousands of jobs, secure the training of the next generation of scientists, and help the United States to maintain our standing as the international leader in research and development.

Kelly E Dunn, PhD, MBA CPDD President

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