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Historic Health Care Reform Bill Good for Bay Area Life Science Industry

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WASHINGTON(BUSINESS WIRE) Today, President Barack Obama signed into law the most sweeping reform of health care since President Lyndon Johnson signed the Medicare act into law in 1965 and arguably since the Social Security Act arrived on Franklin Delano Roosevelt's desk in 1935. The bill provides key wins for the life science industry in the Bay Area and beyond.

Included in the new law will be a historic pathway to enable the U.S. Food and Drug Administration to approve biosimilars. This is a key win for patients and the biotech community as patients living with debilitating diseases will have access to more affordable therapies for diseases such as cancer, diabetes, and Alzheimer's. Additionally, the law includes the necessary incentives to attract the massive investment required in biotechnology to ensure that the next generation of life-saving, altering, or life extending products are brought to market.

The Therapeutic Discovery Project Tax Credit, also included in the new law, will help offset a portion of the resources spent on therapeutic development activities, including hiring scientists and conducting clinical studies. The measure, which provides \$1 billion over the next two years, will be available immediately. Companies with 250 or fewer employees can apply for the credit of up to \$25 million a year. If a company happens to be in a loss situation they can apply for a grant in lieu of the credit from the Department of the Treasury.

“BayBio is pleased with the outcomes of the final health care reform bill and considers this a big win for our industry.” Jeremy Leffler, Chief Operating Officer

of BayBio declared, “Patients, investors, the economy, and life science companies in the bay area and around the nation will all benefit greatly in the end.”

The signing ceremony, held at 11:15 a.m. ET marked the end of a decades-long battle over creating a system of universal coverage thereby extending health insurance to the more than 30 million Americans who are currently uninsured.

About BayBio

BayBio is the voice of the world's oldest, largest and most productive life sciences cluster. It serves Northern California's 1,300+ life sciences companies. The staff and services of BayBio are paid primarily through memberships, sponsorships, and event registration fees.