

2023 State Policy Agenda

LIFE SCIENCE TENNESSEE

Life Science Tennessee (LST) is the state's leading life science trade organization whose mission is to advance and grow the life science industry through advocacy, partnerships and alignment with workforce development. From medical device companies to world renowned research institutions to exciting biotech startups, our members are essential to the health and economic development of Tennessee. A recent report from BIO indicates life science employment in Tennessee grew 7% since 2018 for a total of 44,000 jobs across 2,899 businesses. Moreover, the products and services we create improve the health and well-being of people throughout the world.

We have identified the following policy issues for the 113th Tennessee General Assembly and applaud the efforts of state legislators to expand economic opportunity and improve patient access to life-saving drugs and therapies.

- **Understand Biomarkers as an Effective Tool to Treat Disease:** We will work with legislators to understand the proven results of biomarker testing and how we can ensure more patients have access to treatment.
- **Support Tennessee's Innovation Economy:** We ask legislators to continue to support funding for the Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR) matching program. The program is one example of the impact of LaunchTN, which provides statewide resources to build Tennessee's innovation ecosystem.
- **Strengthen STEM Education:** We will share findings from the first-ever STEM assessment and work with legislators to address gaps and build a STEM workforce to meet growing industry demands.
- **Recognize the Value of Life Science Technologies:** We will focus on the value of our industry in developing life-saving drugs and therapies and contributing to Tennessee's economic growth.
- **Stop the Spread of Infectious Disease:** We will continue to advocate for widespread vaccine adoption as vaccines remain the leading tool to stop the spread of infectious disease.
- **Join the Life Science Caucus:** We encourage legislators to join the Tennessee General Assembly Life Science Caucus.

Understand Biomarkers as an Effective Tool to Treat Disease

Biomarkers are an important new tool to treat rare diseases and cancers. While they are effective at improving patient outcomes, biomarker testing for the purposes of diagnosis, treatment, appropriate management, or ongoing monitoring of a disease or condition is not covered by state regulated insurance plans. Future legislation could clearly establish what sources of evidence count for determining coverage including: Labeled indications for an FDA-approved or -cleared test or indicated tests for an FDA-approved drug; Centers for Medicare and Medicaid Services (CMS) National Coverage Determinations or Medicare Administrative Contractor (MAC) Local Coverage Determinations; or nationally recognized clinical practice guidelines and consensus statements.

Recently, Kentucky signed biomarker legislation into law to establish new biomarker testing coverage requirements for health benefit plans. In addition, the state of Georgia's General Assembly passed legislation which would similarly provide more access to biomarker testing for patients. It is currently awaiting Georgia Governor Kemp's signature.



Support Tennessee's Innovation Economy with the SBIR/STTR Matching Program and LaunchTN Funding

Life Science Tennessee asks state lawmakers to continue its support of the Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR) matching program that was first signed into law in 2016. The matching program is an important tool that bolsters entrepreneurship in the state by matching federal dollars allotted to exciting, job-creating Tennessee companies. To date, \$27 million has been allocated to the program creating a \$348 million economic impact on the state. The total number of companies receiving the awards, 89, have leveraged \$169 million of federal funds and \$127 million of follow-on private capital raised. LST asks for the continued support of SBIR/STTR funding with an increase to \$9 million in the FY24 budget so that the state can continue to meet the needs of grant winners. LaunchTN is requesting an operating fund increase of \$1,157,000 to be used as grant funding for 11 Network Partners (seven entrepreneur centers and six mentor networks), supporting each in expanding programming, including capital access and commercialization programs for high-tech, scalable technologies, and reaching startups and founders in all 95 counties.

LST strategic partner, BioTN, is a 501c3 and LaunchTN network partner that manages a mentor network for life science companies with the grant funds. The Life Science Mentor Network supports eight to 10 new life science startups annually and strengthens our state's STEM workforce. Mentor Network companies raise approximately \$25 million annually and hire or retain 66 jobs each year for these new startups. A recent report from the American Association for the Advancement of Science (AAAS) stated that Tennessee's STEM-based jobs generated \$16.5 billion in state and local tax revenues and is on track to grow more than 20 percent over the next 10 years.

Strengthen STEM Education and Build a STEM Workforce

From biomedical laboratory technicians, engineers and even nurses and physicians, we need a strong STEM workforce to meet growing demand. While numerous STEM programs exist in Tennessee and most schools offer some form of STEM curriculum, a comprehensive review of the impact of these programs is needed. LST has partnered with BioTN to produce a STEM assessment. This report will:

- Analyze educational and programmatic progress and outcomes in Tennessee STEM education.
- Compile and analyze trend and comparative data, including K-12 student outcomes, postsecondary enrollment and completion, and workforce data to understand the current state of STEM education across Tennessee.
- Consider the impact of key Tennessee policies, programs, and initiatives in STEM education, including the Race to the Top program.

We will share findings from the report, expected in May 2023, to work together to improve STEM education and workforce training.

Recognize the Importance and Value of Medicine

Life Science Tennessee asks state lawmakers to oppose any legislation that would inhibit research and development of life-saving drugs and therapies as well as access to care. New therapies such as cancer immunotherapies, a cure for hepatitis C, and highly effective cholesterol drugs are transforming care for patients fighting debilitating diseases. These innovations limit the growth of health care costs overall by effectively treating patients and keeping them out of hospitals. Many companies in the state research and develop life-saving drugs and therapies, while providing high-paying jobs to Tennesseans. We ask that you oppose legislation that would impede these companies' ability to innovate new cures for patients.

Stop the Spread of Infectious Disease

Vaccines support our immune system's complex and robust defense mechanisms by preemptively giving the body the tools it needs to fight germs, bacteria, or viruses. The vast majority of Tennessee's families are immunized and support strong public health laws. Ensure all families and communities have access to vaccines—and have confidence in taking them. We ask all legislators to work to build trust in vaccines and to support the widespread adoption and dissemination of vital vaccines for numerous infectious diseases.

Join the Life Science Caucus

The mission of the Life Science Caucus is to make Tennessee an innovator in life-saving drugs and therapies that will help everyday Tennesseans live healthier, fuller lives. To date, the caucus has hosted fact-finding missions to the HudsonAlpha Institute for Biotechnology in Huntsville, AL, and tours of Pfizer's distribution center in Memphis, the Center for Medical Interoperability in Nashville, and CSL's world testing site for plasma in Knoxville. We have also held several virtual events on vaccine education and biomarkers.

We encourage legislators to join the Tennessee General Assembly Life Science Caucus chaired by Sen. Reeves and Rep. White. The Caucus, one of just four caucuses grandfathered in under the new rules, is focused on educating representatives about the life science sector and how the industry fits into the health care chain.

