

COALITION FOR HEALTH SERVICES RESEARCH

The Coalition for Health Services Research is pleased to offer this testimony regarding the role of health services research in improving our nation's health. The Coalition's mission is to support research that leads to accessible, affordable, high-quality health care. As the advocacy arm of AcademyHealth, the Coalition represents the interests of 3,800 researchers, scientists, and policy experts and 150 organizations that produce and use health services research.

Health care in the United States has the potential to dramatically improve people's health but often falls short and costs too much. Health services research is used to understand how better to finance the costs of care, measure and improve the quality of care, and improve coverage and access to affordable services. It provides patients, providers, payers, and policymakers with the tools needed to make health care:

- **Affordable** by decreasing cost growth to sustainable levels
- **Efficient** by decreasing waste and overpayment and monitoring the cost-effectiveness of care
- **Safe** by decreasing preventable medical errors, monitoring public health, and improving preparedness
- **Effective** by evaluating programs and outcomes and promoting evidence-based innovations
- **Equitable** by eliminating disparities in health and health care
- **Accessible**, by connecting people with the health care they need when they need it
- **Patient-centered** by increasing patient engagement in and satisfaction with the care received

Indeed, health services research has been changing the face of U.S. health care, uncovering critical challenges confronting our nation's health care system. For example, the 2000 Institute of Medicine (IOM) report *To Err Is Human* found that up to 98,000 Americans die each year from medical errors in the hospital. Health services research also found that disparities and lack of access to care in rural and inner cities result in poorer health outcomes. And it demonstrated that obesity accounts for more than \$92 billion in medical expenditures each year and has worse effects on chronic conditions than smoking or problem drinking.

But health services research does not just lift the veil on the problems plaguing U.S. health care; it also seeks ways to address them. Health services research offers guidance on implementing and making the best use of health information technology and getting the best care at the best value. Health services research framed the debate over health care reform in Massachusetts—forming the basis for that state's 2006 health reform legislation—and was instrumental in shaping comprehensive national health reform through The Patient Protection and Affordable Care Act. As health reform is implemented over the next few years, health services research will be needed more than ever to monitor and evaluate the new law's impact on the health care system and the health status of Americans. Do Americans have better access to health care? Are the measures projected to bend the health care cost curve downward having the desired effect?

Are patients more engaged in health care decision-making? Is care better coordinated across providers? Health services research will provide the answers to these and other important questions.

For the last seven years, the Coalition has collected data to track the federal government's expenditures for health services research and health data. Information provided to us by the principal funders of health services research and data—including the Agency for Healthcare Research and Quality (AHRQ), the National Institutes of Health (NIH), the Centers for Disease Control and Prevention (CDC), and the Centers for Medicare and Medicaid Services (CMS)—indicates that the field of health services research and data has operated with diminished purchasing power for years. Up until 2008, overall spending on health care continued to rise faster than the rate of inflation—from \$1.4 trillion in 2000 to nearly \$2.3 trillion in 2008.ⁱ Despite the recent increase in federal funding for health services research and data—\$1.8 billion in FY 2009—the total federal investment still accounted for only 0.078 percent of the \$2.3 trillion we spend on health care annually.ⁱⁱ

The Coalition for Health Services Research greatly appreciates the subcommittee's recent efforts to increase the federal investment in health services research and comparative effectiveness research through the FY 2010 Omnibus Appropriations Act and the American Recovery and Reinvestment Act of 2009. This funding provides a new high watermark for the field and represents the largest-ever single funding increase in health services research. With comprehensive health reform now a reality, we ask the subcommittee to continue strengthening the capacity of the health services research field to address the pressing challenges America faces in providing access to high-quality, cost-effective care for all its citizens.

Agency for Healthcare Research and Quality

AHRQ is the lead federal agency charged with supporting unbiased, scientific research to improve health care quality, reduce costs, advance patient safety, decrease medical errors, and broaden access to essential services. Recent years' steady, incremental increases for AHRQ's Effective Health Care Program, as well as the \$300 million provided to AHRQ in the American Recovery and Reinvestment Act, have helped AHRQ generate more comparative effectiveness research and expand the infrastructure needed to increase capacity to produce this evidence. However, funding for AHRQ's broader health services research portfolio has languished as funding for AHRQ's base has remained relatively flat. To balance the recent investments in AHRQ's comparative effectiveness research, we recommend that:

- AHRQ's broader health services research portfolio should not be sacrificed for the sole benefit of comparative effectiveness research. The entirety of the president's requested budget increase will support "patient-centered health research" (i.e., comparative effectiveness research) while funding for programs in AHRQ's broader research portfolio such as the Centers for Education and Research on Therapeutics and the HIV Research Network are cut or flat-funded to support a more robust comparative effectiveness research portfolio. The Coalition requests increased investment in other important research topics to balance continuing investments in comparative effectiveness research, as this research alone will not solve our health system challenges; the full spectrum of health services research on health care cost, quality, and access is essential to ensure that

research on “what works” is implemented in ways that support broader health reform efforts.

- Congress should continue to place priority on investigator-initiated research and should target funding for innovative, competitive grants in FY 2011. The principle of scientific competition and innovation is the basis for allocating the large share of research funding managed by the NIH. Yet, the president’s proposed budget does not fund new investigator-initiated research grants at AHRQ in FY 2011. The Coalition is grateful to the subcommittee for its leadership in recognizing the value of competitive scientific discovery and innovation in health services research, as demonstrated by the priority you have placed on investigator-initiated research at AHRQ. The Coalition requests that you continue this investment in FY 2011 and sustain the momentum for competition and innovation you have cultivated over several years.
- Congress should target more funding for pre- and post-doctoral training grants to increase capacity to respond to growing public and private sector demand for health services research. At the direction of Congress, AHRQ doubled its investment in training grants for the next generation of researchers in the last year—from \$5.4 million for 40 grants in FY 2009 to \$12.7 million for 79 grants in FY 2010. Despite this significant increase, the Coalition believes that such a level of investment in training grants for new researchers falls far short of what is needed across all disciplines to meet growing public and private sector demand for health services research. As the lead agency for health services research, AHRQ requires funding to develop the next generation of health services researchers—both physician and non-physician researchers.

While targeted funding increases in recent years have moved AHRQ in the right direction, more core funding is needed to help AHRQ fulfill all aspects of its mission. We join the Friends of AHRQ—a coalition of more than 250 health professional, research, consumer, and employer organizations that support the agency—in supporting the president’s requested funding level of \$611 million.

Centers for Disease Control and Prevention

Housed within the CDC, the National Center for Health Statistics (NCHS) is the nation’s principal health statistics agency, providing critical data on all aspects of our health care system. Thanks to NCHS, we know that too many Americans are overweight and obese, that cancer deaths have decreased, that average life expectancy has increased, and that emergency rooms are over-crowded. We also know how many people are uninsured, how many children are immunized, how many Americans are living with HIV/AIDS, and how many teens give birth.

With the subcommittee’s leadership in securing steady and sustained funding increases for NCHS over the last three fiscal years, NCHS is rebuilding after years of underinvestment that forced the elimination of data collection and quality control efforts, threatened the collection of vital statistics, stymied the adoption of electronic systems, and limited the agency’s ability to modernize surveys to reflect changes in demography, geography, and health delivery. We join the Friends of NCHS—a coalition of more than 250 health professional, research, consumer, industry, and employer organizations that support the agency—in endorsing the president’s FY

2011 request of \$162 million, a funding level that will build on your previous investments and put the agency on track to become a fully functioning, 21st Century, national statistical agency.

While significant funding has helped improve the public health system's capacity to respond to a terrorist attack or a public health crisis such as pandemic flu, funding has been insufficient to support research that evaluates the effectiveness of our preparedness interventions and seeks to improve the delivery of public health services. For example, how cost-effective are public health and prevention programs? How can the medical care and public health delivery systems be better linked?

The Patient Protection and Affordable Care Act recognizes the need for linking the medical care and public health delivery systems by authorizing a **new CDC research program to study the delivery of public health services**. If funded in FY 2011, this program will support the examination of evidence-based practices relating to prevention; analyze the translation of interventions from academic to real-world settings; and identify effective strategies for organizing, financing, or delivering public health services in real-world community settings by, for example, comparing state and local health department structures and systems in terms of effectiveness and costs. The Coalition urges you to appropriate \$50 million for this important program in FY 2011, enabling us to study ways to improve the efficiency and effectiveness of public health service delivery.

In addition, the Coalition urges you to provide the CDC's important **Public Health Research** portfolio and **Prevention Research Centers**—a network of academic health centers that conduct public health research—with at least \$35 million for Public Health Research and at least \$35 million for Prevention Research Centers in FY 2011. These programs—which seek ways to develop, translate, and disseminate research to address obesity, diabetes, and heart disease; healthy aging and youth development; cancer risk; and health disparities—have been virtually flat-funded since FY 2006. At a time when chronic diseases persist as the primary drivers of escalating health care costs, greater investment in public health research is needed to identify evidence-based solutions to curbing the prevalence of these diseases.

Centers for Medicare and Medicaid Services

Steady funding decreases for the Office of Research, Development and Information, together with an increasingly earmarked budget, have hindered CMS's ability to meet its statutory requirements and conduct new research to strengthen public insurance programs—including Medicare, Medicaid, and the Children's Health Insurance Program—which together cover nearly 100 million Americans and comprise 45 percent of America's total health expenditures.ⁱⁱⁱ As these federal entitlement programs continue to pose significant budget challenges for both federal and state governments, it is critical that we adequately fund research to evaluate the programs' efficiency and effectiveness and seek ways to manage their projected spending growth.

The Coalition supports an increase in CMS's discretionary research and development budget from \$36 in FY 2010 to a base FY 2011 funding level of \$47 million, consistent with the president's request. This funding is a critical down payment to help CMS recover lost resources and restore research to evaluate its programs, analyze pay for performance and other tools for

updating payment methodologies, and further refine service delivery methods.

In addition, the Coalition supports the president's FY 2011 request of \$110 million for a new data improvement initiative at CMS. This initiative has the potential to transform CMS's data infrastructure from one designed to support claims processing to one that better supports research and analysis. Specifically, this investment would enhance the quality and timeliness of data, support health reform initiatives such as value-based purchasing and comparative effectiveness research, improve payment accuracy, and enhance systems security. The Coalition supports the president's efforts to improve data quality, timeliness, and access and encourages Congress to appropriate funding so that the research community will be able to access CMS's valuable data to enhance these federal programs and ultimately reduce mandatory spending.

National Institutes of Health

NIH reported that it spent \$1.1 billion on health services research in FY 2009—roughly 3.6 percent of its entire budget—making it the largest federal sponsor of health services research. For FY 2011, the Coalition recommends a health services research base funding level of at least \$1.27 billion—3.6 percent of the \$35 billion sought by the broader health community for NIH. The Coalition believes that NIH should increase the proportion of its overall funding that goes to health services research from 3.6 to 5 percent to ensure that discoveries from clinical trials are effectively translated into health services. We also encourage NIH to foster greater coordination of its health services research investment across its institutes.

In conclusion, the accomplishments of health services research would not be possible without the leadership and support of this subcommittee. As you know, the best health care decisions are based on relevant data and scientific evidence. With important health reforms now undergoing implementation, health services research will continue to yield valuable scientific evidence in support of improved quality, accessibility, and affordability of health care. We urge the subcommittee to accept our FY 2011 funding recommendations for the federal agencies funding health services research and health data.

If you have questions or comments about this testimony, please contact our Washington, D.C., representative Emily Holubowich at 202.484.1100 or eholubowich@dc-crd.com.

ⁱ Hartman, M. et al. "National Health Spending in 2007: Slower Drug Spending Contributes to Lowest Rate of Overall Growth since 1998," *Health Affairs*, Vol. 28, No. 1, January/February 2009, pp. 246-61.

ⁱⁱ Coalition for Health Services Research. *Federal Funding for Health Services Research*, available at www.chsr.org, February 2009.

ⁱⁱⁱ Catlin, A. et al. "National Health Spending in 2005: The Slowdown Continues," *Health Affairs*, Vol. 26, No. 1, January/February, pp. 142-53.