



October 14, 2008

Francis D. Chesley, Jr., M.D.
Agency for Healthcare Research and Quality
540 Gaither Road
Rockville, MD 20850

Re: AHRQ Request for Planning Ideas for Development of an Innovations Research Portfolio

AcademyHealth—the nonpartisan, professional society for nearly 3,500 health services researchers, policy analysts, and practitioners and 145 organizations representing producers and users of research—welcomes the opportunity to respond to the request for planning ideas for a new Innovations Research Portfolio, as requested in the *Federal Register* on August 15, 2008. Given the implications of this proposed program for the field of health services research, we are pleased to offer the following thoughts for your consideration on behalf of our members, the research community, and the public more broadly.

AcademyHealth commends the Agency for Healthcare Research and Quality (AHRQ) for pursuing the development of this new program at a time when our field's research on the effectiveness, efficiency, affordability, and safety of health care is needed to help policymakers consider serious health reform. The creation of this new portfolio, designed to “support ideas and projects that have the potential to lead to significant advances in health care organization, delivery, and management,” is a positive first step in reversing the decline in investigator initiated health services research. Specifically, AcademyHealth views the Innovations Research Portfolio as an opportunity to:

- **Reinvigorate Innovation and Ingenuity.** AHRQ's budget is increasingly targeted, with funds appropriated according to research categories identified as priorities by the administration and Congress (e.g., patient safety, health information technology, and comparative effectiveness research). While apportioning funding according to categories affords policymakers greater direct control over AHRQ's research agenda, such specificity in budgeting provides the agency very little autonomy in how these funds are allocated across research topics, and even less flexibility to shift these priorities in response to new and emerging health care concerns. As a result, health services research has experienced an erosion of investigator initiated research and the corresponding ingenuity this type of research affords investigators for the benefit of policymakers and other decision makers.

Advancing Research, Policy and Practice

AcademyHealth believes AHRQ will be well served by reinvigorating the free marketplace of ideas through investigator initiated research in the Research Innovations Portfolio and we suggest that this new portfolio not be prescriptive. Restricting grants according to pre-defined topical research areas would continue to stifle innovation and hinder the field's ability to discover emerging health care challenges and develop innovative solutions. AcademyHealth hopes the Research Innovations Portfolio will instead incubate true investigator initiated research and provide new opportunities for unencumbered scientific exploration in contrast to AHRQ's currently restricted research agenda.

- **Revive AHRQ's Grant Making.** The plateau in federal funding for AHRQ and the resulting loss of purchasing power has compromised the agency's ability to fully achieve its mission and hindered its capacity to generate more and better information to improve health and the U.S. health care system.

AHRQ's gradual shift away from grant making toward contracting has compounded the impact of the strained budgetary climate on health services researchers and the field more broadly. AHRQ data show a decline in the number of, and funding for, new and competing grants. In fiscal 2008, AHRQ funded the fewest number of new and competing awards since we began collecting these data in 2003. Funding for these grants also hit a new low—\$15.6 million. At the same time, funding for contracts at AHRQ more than doubled from nearly \$68 million in fiscal 2003 to roughly \$148 million in fiscal 2008. AHRQ dedicated 44 percent of its overall budget to contracted work in fiscal year 2008; whereas less than 5 percent was available for new and competing grants.

Greater funding for contracted work as a proportion of the overall agency budget translates into fewer competitive funding opportunities available to individual researchers, particularly as the agency's budget remains virtually flat. Indeed, according to surveys of researchers and analysts conducted by AcademyHealth, AHRQ grants comprise a smaller proportion of their research budgets, declining from an average of 52 percent in 2003 to 42 percent in 2006.¹

AcademyHealth strongly recommends that AHRQ revive grant making through the new Research Innovations Portfolio and urges the agency to use competing grants as this new program's principal funding mechanism. Contracting would limit the degree of autonomy researchers would have to innovate in the development, conduct, and dissemination of their work and would compromise the spirit of the proposed program.

- **Provide Much-Needed Balance in the Evidence Base.** According to data provided by AHRQ to AcademyHealth's advocacy arm, the Coalition for Health Services

Research, roughly 53 percent of AHRQ's budget was targeted for research on patient safety and health care quality in fiscal 2008, with another 24 percent targeted for research on health care effectiveness.ⁱⁱ This emphasis is aligned with one of the field's priorities—improving the quality of care. Unfortunately, these efforts have included less research on ways to improve the quality and efficiency of the health care system as a whole, and have resulted in relatively little funding to study what is driving health care costs or to determine how to achieve needed improvements in efficiency.

The Research Innovations Portfolio should enable AHRQ to develop a more balanced research agenda, supporting all aspects of health care research outlined in its statutory mission, particularly:

- The cost-effectiveness of health care practices;
- The costs and utilization of, and access to, health care; and
- The ways in which health care services are organized, delivered, and financed.

The leadership of AcademyHealth stands ready to work with AHRQ to develop the Innovations Research Portfolio. Please contact Emily Holubowich, our director of government relations (202.292.6743; emily.holubowich@academyhealth.org), or me with any questions you may have regarding our recommendations.

Sincerely,



W. David Helms, Ph.D.
President & CEO

ⁱ *AcademyHealth 2006 Member Survey*. Washington, DC: AcademyHealth; 2006.

<http://www.academyhealth.org/membership/membersonly.htm>

ⁱⁱ *Federal Funding for Health Services Research 2007*. Washington, DC: Coalition for Health Services Research; 2008. <http://www.chsr.org/CoalitionFundingReport08.pdf>