

TESTIMONY OF  
THE FRIENDS OF THE CDC'S  
NATIONAL CENTER FOR HEALTH STATISTICS

TO THE

SUBCOMMITTEE ON LABOR,  
HEALTH AND HUMAN SERVICES,  
EDUCATION AND RELATED AGENCIES

COMMITTEE ON APPROPRIATIONS  
UNITED STATES HOUSE OF REPRESENTATIVES

APRIL 15, 2005

## **Overview of NCHS**

The Friends of the CDC's NCHS was formed in October 2003 to advocate on behalf of the Centers for Disease Control and Prevention's National Center for Health Statistics (NCHS). The Friends consists of provider, consumer, research, public health, state and local officials, and voluntary health organizations.

NCHS is the nation's principal health statistics agency, providing data to identify and address health issues. NCHS compiles statistical information to help guide public health and health policy decisions. Collaborating with other public and private health partners, NCHS employs a variety of data collection mechanisms to obtain accurate information from multiple sources. This process provides multiple perspectives to help understand the population's health, influences on health, and health outcomes. Health statistics developed by NCHS help policymakers, providers, health plans, public health officials, businesses, epidemiologists, biomedical and health services researchers, and actuaries:

- Document the health status of the U.S. population and selected subgroups.
- Document access to the health care system.
- Monitor trends in health status and health care delivery.
- Identify disparities in health status and use of health care by race/ethnicity, socio-economic status, region, and other population characteristics.
- Evaluate the impact and effectiveness of health policies and programs.
- Identify health behaviors and associated risk factors.
- Support biomedical and health services research.
- Provide data to support public policies and programs.

NCHS produces data on a wide range of health indicators, including:

- Key health indicators such as infant mortality, life expectancy, and teen births.
- Emergency department use and capacity to measure bioterrorism preparedness.
- Health insurance coverage and its relationship to access and utilization of health care services.
- Health status, health-related behaviors and risk factors.
- Leading causes of death specific to age, race, ethnic and gender groups.
- Prevalence of obesity and overweight among the U.S. population.
- Nutrition and physical activity.
- Growth charts to monitor the development of children.
- Exposure to environmental chemicals.
- Patterns and relationships of risk factors to specific diseases and populations.
- Practice of medicine in the U.S., the increasing use of prescription drugs, evolution of roles and practices of health care providers, and changes in institutions and health plans.

NCHS conducts its mission through four primary functions:

*1. National Health Care Survey (NHCS)*

The NHCS is a family of surveys that collects data from health care establishments about the utilization of services across the major sectors of the U.S. health care system. These data may

be used to profile changes in the use of health care resources, patterns of disease, and the impact of new medications and technologies. Information on the characteristics of providers, facilities, and patients allows researchers to study shifts in the delivery of care across the health care system, variations in treatment patterns, and patient outcomes.

*2. National Health Interview Survey (NHIS)*

The NHIS provides information annually on the health status of the U.S. civilian population through confidential interviews conducted in households. The NHIS is the nation's largest household health survey, providing data for analysis of broad health trends, as well as the ability to characterize persons with various health problems, determine barriers to care, and compare health status, health related behaviors, and risk factors across racial and ethnic populations.

*3. National Health and Nutrition Examination Survey (NHANES)*

NHANES is NCHS's most in-depth and logistically complex survey, designed to assess the health and nutritional status of Americans. This comprehensive survey combines personal interviews with standardized physical and dental examinations, diagnostic procedures, and lab tests in approximately 5,000 persons each year.

*4. National Vital Statistics System (NVSS)*

The NVSS provides the nation's official vital statistics data based on the collection and registration of birth and death events at the state and local level. The NVSS provides the most complete and continuous data available to public health officials at the national, state and local levels, and in the private sector. Vital statistics are a critical component of our national health information system, allowing us to monitor progress toward achieving health and welfare reform goals.

The Friends of the CDC's NCHS recognize the critical importance these systems have in providing information on the nation's health. Our members use this data to inform our own research, respond to requests from members of Congress, and use the results of surveys to build the knowledge base for action in health.

**FY 2005**

The Friends of CDC's NCHS thank the Subcommittee for its support of NCHS for FY 2005 in providing an additional \$19 million for NCHS programs. These funds were desperately needed in order to maintain the integrity the NCHS surveys and the statistics based upon them. As you know, prior to your actions, the agency's appropriations did not keep pace with inflation. While the agency did become trimmer and more efficient during that period, the lack of funding growth also meant that NCHS had to cut back on the number of people surveyed, number of questions asked, and the frequency of surveys. This meant there was less data on fewer persons available. The \$19 million increase stabilized the agency and allowed it to restore its surveys to previous levels of data collection, making it possible to provide policy with accurate information on health trends, disparities, and emerging health issues. It also provided for progress in updating the way NCHS collects data – for example, by supporting electronic systems for birth and death data in the states - thereby speeding the availability of data. Yet while we greatly appreciate your support last year, additional resources are needed in the short-term in order to prevent the agency from

slipping back into crisis. This data will be need even more in the future given changing demographics both in responding to an aging population and eliminating disparities in health care and to be able to effectively respond to the increasing costs of federal entitlement programs.

### **Short-term**

In order to ensure the current and short-term stability of the agency and to maintain existing programs, the Friends of CDC's NCHS strongly endorse the need for additional funding over the President's budget request of \$109 million to cover built-in and one-time costs. NCHS surveys are continually in operation – every day, field agents are conducting household interviews, operating examination centers, and obtaining records from state vital records offices and health practitioners. Maintaining these operations is logistically challenging and costly. The preponderance of NCHS' appropriation is devoted to these ongoing operational costs, making it critical that increased appropriations are provided to keep pace with increasing costs. NCHS has no simple way to absorb cost increases within an already spare operation without cutting into the key elements of its program – the size, scope, quality, and timeliness of its surveys. If NCHS were forced to absorb such cost increases within the existing funding level, we would be causing a return to the gradual attrition in NCHS' program that characterized the previous decade. It was this continuing inattention to the need to support this program on an ongoing basis that made it necessary for the Subcommittee to provide for a “catch-up” increase in FY 2005. Our goal is to avoid this cycle of attrition and repair by funding NCHS real costs on an ongoing basis.

These core program costs will need to be addressed before new programs or enhancements can be undertaken by NCHS. For this purpose we ask you to support an increase of \$8,750,000, or 8 percent, for a total of \$118 million. These funds would be used by NCHS to cover cost increases in its survey operations and in contracts to purchase data from states. The key elements of these cost increases include:

- Annual increases in mandatory contract increases, including contracts with States where costs are driven by a formula related to record volume and prevailing salary rates;
- Increased costs of contractors conducting the surveys for field operations, laboratory analysis, and other costs;
- Cost increases incurred by States related to HHS' recommended improvements in birth and death certificates;
- Updating mobile examination survey equipment and other IT systems to avoid obsolescence; and
- Absorption of mandatory cost increases such as the Federal pay raise.

### **Long-term**

In the longer-term, the Friends of CDC's NCHS believe that our nation and its leaders lack the information it needed to guide policy and inform decision-making. Our members are often at the forefront of providing policy-makers with research and information on increasingly complex areas of public policy. More than most, we understand the limits to what we understand about our complex health care system, the health needs of an increasingly diverse and mobile population, and the implications of different policy options. We share the frustration of members and their staff when they turn to our members for answers that we cannot provide due to a lack of credible, quality health information.

Fortunately, there are investments that we can make to fill these information gaps and, therefore, improve our ability to answer key policy questions. Enhancements to NCHS will add crucial functionality to the agency and create a more robust health statistics program. A stronger health data system would ultimately benefit the entire health system of the United States enabling:

- Policy makers to make decisions based upon more in-depth data;
- Providers to better understand the impact of their treatments;
- Health plans to better track the impact of the services they provide;
- Public health officials to determine where best to apply resources for improving care; and
- Researchers to conduct more in-depth studies.

These priorities include:

- Expand data on prescription drug usage;
- Improving the extent to which we have detailed health data at the State level to help State-level program decision-making and to enable us to learn what health policies work in different States;
- Improving data on race and ethnicity to allow us to better understand health disparities and help identify interventions to reduce them;
- Expand data collection on the health care system to include dental care, community health centers, assisted living, nursing home, and hospice care;
- Update NCHS' hospital survey so that the sample of hospitals is representative of current industry patterns;
- Accelerate technology change to improve overall timeliness and access to data; and
- Implement improved mechanisms to allow greater research access to health statistics while preserving the confidentiality of the health information on individuals.

These crucial function enhancements would require an additional funding level of \$47,250,000. Added to the \$8,750,000 required simply to maintain the agency's current level of operations calls for a total increase of \$56,000,000. When added to the base, total funding for NCHS would equal \$165,000,000.

### **Friends of CDC's NCHS Funding Request**

The Friends of CDC's NCHS therefore support a funding level of \$165 million for this agency for FY 2006. We believe that the priorities outlined above are needed to develop a robust health statistics program in the United States, which will lead to improved health care for all citizens. However, we do understand that the Subcommittee has to work within the allocations provided to it. Therefore, we urge you to appropriate at least the \$8,750,000 needed to prevent NCHS from losing the gains the Subcommittee provided in FY 2005 with the much needed increase of \$19 million. This would represent an eight percent increase for NCHS. The \$8.75 million increase would allow the agency to maintain its surveys and take an additional step in implementing the improvements the Subcommittee would like to see in birth and death records and in automating the collection of vital statistics within the states. In addition, we encourage the Subcommittee to find the resources necessary to fund the program enhancements outlined above. However, we understand that the additional funding for these priorities may need to be postponed until FY 2007.

### **Contact Information**

If you have any questions regarding this testimony, please contact Jon Lawniczak, Director of Government Relations for the Coalition for Health Services Research at either (202) 292-6742 or [jonathan.lawniczak@academyhealth.org](mailto:jonathan.lawniczak@academyhealth.org). Mr. Lawniczak coordinates the activities of the Friends of the CDC's NCHS.

**Members of the Friends of the CDC's NCHS Endorsing This Testimony:**

Ambulatory Pediatric Association  
American Academy of Pediatrics  
American Association for Dental Research  
American Dietetic Association  
American Osteopathic Association  
American Pediatric Society  
American Society for Reproductive Medicine  
Association of Medical School Pediatric Department Chairs  
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