

**STATEMENT OF
THE COALITION FOR HEALTH SERVICES RESEARCH**

TO THE

**SUBCOMMITTEE ON LABOR,
HEALTH AND HUMAN SERVICES,
AND EDUCATION**

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

APRIL 15, 2002

The Coalition for Health Services Research (Coalition) is pleased to offer this testimony for the record regarding the role of health services research in improving our nation's health. The Coalition is the advocacy arm of the Academy for Health Services Research and Health Policy (Academy). Through the Academy, the Coalition represents more than 3,400 individual researchers, scientists and policy experts as well as 115 organizations that produce and use health services research information including universities, providers, employers, and health plans.

We are grateful for the funding support the Subcommittee has provided for health services research over the past several years. Funding increases at the Agency for Healthcare Research and Quality, the Centers for Medicare and Medicaid Services, the Centers for Disease Control and Prevention, and the National Institutes of Health have allowed researchers to:

- □ Find that uninsured children often have at least one working parent. The findings, which countered the assumption that parents of uninsured children are not employed, helped pave the way for the development of the State Children's Health Insurance Program (SCHIP), which extended health insurance to many low-income children and their parents. According to the U.S. Department of Health and Human Services, total SCHIP enrollment for FY2001 was approximately 4.6 million persons.
- □ Develop a new technology to help emergency room doctors improve their decision-making about whether to hospitalize or discharge patients with chest pain. It is estimated that 200,000 people per year could be spared an unnecessary hospital stay and that more than 100,000 unnecessary critical care unit admissions could be avoided, resulting in an estimated annual savings of \$700 million.
- Find that newer antidepressant drugs are equally effective as older antidepressants in treating depression. This research led the American Psychiatric Association and American Pharmaceutical Association to develop practice guidelines on the use of antidepressant drugs.

Yet more questions need to be answered. Increased funding for those agencies that support health services research is needed in order to:

- □ develop practical approaches to keeping medical inflation in check;
- □ promote improvements in clinical practice and patient outcomes;
- □ speed clinical discoveries into practice;
- □ develop processes to increase patient safety;
- □ determine how to increase access to care;
- □ find cost effective methods for improving quality especially for those with chronic illnesses; and
- □ better prepare the health care system to respond effectively to natural catastrophes and terrorist attacks.

The demand for health services research information and the need to improve our health care system cannot and will not be effectively met without the continued leadership of the Subcommittee and the Congress. Your support for the health services research being funded by a variety of federal agencies will allow millions of Americans to live longer, lead improved lives and save health care purchasers, including the federal government, hundreds of millions of dollars each year.

AGENCY FOR HEALTHCARE RESEARCH AND QUALITY

AHRQ's mission is to promote improvements in clinical practice and patient outcomes, in the financing, organization, and delivery of health care services, and in access to quality care. AHRQ's health services research compliments the biomedical research of the NIH by helping clinicians, patients, and health care institutions make choices about what treatments work best, for whom, when, and at what costs.

For FY2003 the Coalition is requesting that Congress fund AHRQ at \$390 million. This is \$90 million above its FY2002 level of \$300 million and \$139 million above the President's request. The President's FY2003 proposed budget would decrease current funding for AHRQ by \$48 million, a 16 percent cut that will dramatically curtail AHRQ's ability to carry out its mission. The proposed cuts are targeted such that research on quality, quality measurement, disease management, outcomes, access and financing of health care will be most crippled. At the proposed \$251 million level, AHRQ will be unable to fund any new research or training grants. Funding for current, non-patient safety grants will be reduced by 50 percent, requiring mid-grant renegotiations that will significantly reduce our knowledge and understanding of how to cost-effectively provide quality health care. This will also mean that AHRQ will be unable to fund many of the grants nearing their completion date, thereby losing the investment and the benefit which would have been derived from prior Congressional appropriations.

An increase in funding is needed to allow AHRQ to continue its work on providing the evidence-based information needed to reduce medical errors, improve access to health care services, and more efficiently utilize health care resources. An increase in funding is also needed to further research in eliminating racial and ethnic disparities, compile the first national report on quality and assist in improving emergency responsiveness.

It is important to note, that AHRQ is the only federal health research agency that examines the entire health care system with an eye towards improving quality and efficiency. AHRQ conducts research that cuts across the jurisdictional lines of the other agencies and it frequently collaborates with the NIH, CDC, VA and other agencies in developing programs and answering critical questions. If AHRQ is forced to cut back on the research it conducts, Congress should not assume that NIH or any other agency will immediately begin to fund this type of research. Foundations are unable to make up the difference and, while private firms may choose to conduct some of this research, these firms often do not make the results available to the public for proprietary reasons. As the largest purchaser of health care services, the Federal government has an important role and responsibility in ensuring quality services are provided for those citizens relying on Federal programs while reducing costs to the American taxpayers.

The Coalition's FY2003 budget request of \$390 million will ensure AHRQ can not only continue its critical health mission, but also further fulfill its role in improving the quality of health care and the quality of life for all Americans.

CENTERS FOR MEDICARE AND MEDICAID SYSTEMS

Office of Strategic Planning (OSP)

OSP guides the development and implementation of new health care financing policies and evaluates their impact on Medicare and Medicaid beneficiaries, participating providers and the States. Congress has greatly increased CMS's administrative responsibilities over the past several years without providing commensurate funding for research. In addition, there have been significant changes in the Medicare and Medicaid programs that need to be continually monitored to determine if any refinements are necessary. CMS has also been given the responsibility of overseeing the SCHIP program. While OSP has received funding increases over the past two years, these increases have largely been for projects directed by Congress.

Under the Administration's proposal, CMS will see its research budget cut almost in half from \$55.3 million to \$28.4 million. After subtracting \$12.4 million for the Medicare Beneficiary Survey, and \$6 million for CMS to meet other statutory requirements, CMS will have only \$10 million in discretionary research funding. However, their FY2003 commitments for funding projects already underway is \$17 million. This means CMS would have to cut existing research by \$7 million. The Coalition supports a funding level of \$60 million to ensure that CMS can meet its current obligations and expand research into areas such as quality care for those with chronic illnesses; plan and beneficiary participation in managed care; approaches to educating beneficiaries through use of the Internet (e-health); and the impact of technological changes on the Medicare and Medicaid programs and beneficiaries.

CENTERS FOR DISEASE CONTROL AND PREVENTION

A continuing concern is the issue of inadequate research focusing on the infrastructure of public health, *public health services research*. While much attention has focused on research on the sickness care system, and on improving the public health system's ability to respond to a terrorist attack, insufficient resources have been allocated for a comparable focus on research to improve the delivery of public health services. Of specific concern are:

- How can the public health infrastructure be improved and made more effective?
- How do we target critical public health activities to reach individuals and communities that typically encounter barriers in accessing the health system?
- How cost-effective are public health and prevention programs?
- How will new advances in understanding disease be applied in public health?

National Center for Health Statistics (NCHS)

NCHS is the Federal government's principal vital health statistics agency. NCHS represents an investment in broad-based, fundamental public health and health policy

statistics. The data maintained by NCHS is critical to the research performed by our members. For example, NCHS provides the data for:

- Quarterly tracking of health insurance and access to care, important to understanding the impact of public policy and the economy on children and families;
- Measuring the health status of Americans and how it changes, a critical element in evaluating the value we get as a nation from our investment in health;
- Understanding trends in the use of health care services, including the extent to which new medical technology is adopted, the burden placed on the health care system by different diseases and illnesses, and the ways in which prescription drugs are prescribed and used;
- Monitoring the capacity and performance of our health care system by, for example, tracking waiting times in emergency departments and measuring unmet health care needs;
- Focusing policy and health programs on issues of greatest importance by providing a credible, scientific basis for understanding the magnitude of problems, and by helping generate hypotheses for health services and biomedical research; and
- Measuring and understanding differentials between different groups in the population, including racial and ethnic differences in health, in order to help identify strategies for narrowing these gaps.

Last year, Congress increased funding for NCHS by \$5 million. For FY2003, the President proposes to decrease the budget of the NCHS by \$1 million. The Coalition believes that NCHS requires at least \$180 million, an increase of \$50 million over current spending levels, in order for the agency to be brought up to date technologically, and to provide the data needed by both public and private sector researchers and policy makers.

Extramural Prevention

Under the President's budget proposal, CDC's \$17 million extramural prevention research budget ñ the only extramural health services research program at the CDC ñ would be eliminated. CDC developed this program to move knowledge about effective strategies for preventing disease and disability from research to implementation in diverse community practices and programs. The program uses a model of community-based participatory prevention research, and has supported over 50 projects based in states and localities throughout the country. Cutting this program will eliminate the second round of projects designed and initiated by community-based research collaborations. The Coalition urges restoration of the \$17 million so that CDC can conduct the second round of projects and collaborate with others to accelerate the dissemination of research results to professionals and communities who can put the results into practice.

NATIONAL INSTITUTES OF HEALTH

As part of its ongoing research agenda, most of the Institutes of the NIH fund health services research. The proportion of NIH funding for health services research needs to be maintained and expanded to assure that the investments in biomedical research result in improved health services for the American people. The Coalition fully supports the commitment to double the NIH budget by the end of FY2003 with the understanding that appropriate proportions of this investment must be targeted to fund health services research.

NEED FOR FEDERAL FUNDING

The Coalition for Health Services Research is grateful for the leadership of this Subcommittee in recognizing the important role of health services research. We urge the Subcommittee to continue the progress made during the last several years by providing a substantial investment in Federal health services research programs in the FY2003 appropriations bill.

Thank you.