

TESTIMONY OF
THE COALITION FOR HEALTH SERVICES RESEARCH

TO THE

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

COMMITTEE ON APPROPRIATIONS

UNITED STATES HOUSE OF REPRESENTATIVES

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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 AcademyHealth. Through AcademyHealth, the Coalition represents more than 3,750 individual researchers, scientists and policy experts as well as 125 organizations that produce and use health services research information including universities, providers, employers, patients and health plans.

We are grateful for the funding support the Subcommittee has provided for health services research over the past several years. Health services research examines the performance of the American health care system and identifies ways to improve access, quality and cost of care. The small investment made by the federal government provides significant returns to policymakers, health administrators, providers, patients, and others to improve care and services. Health services research addresses critical health policy issues facing our country. These include reducing medical errors, making the best use of information technology, translating clinical research into medical practice, comparing the effectiveness of health services, improving the economic efficiency of the health care system, and reducing disparities in health care related to race, ethnicity, and community of residence.

Health services research has changed the face of American health care. From ensuring that providers have the most up-to-date information regarding treatment options to making purchasers aware of the consequences of various payment methodologies, health services research provides the scientific basis needed to make the right decisions. This testimony will share some of the successes brought about by this research because of your support, outline the research that still needs to be done, describe the agencies that will conduct and oversee this research, and identify the levels of support required to assure the information is available when needed.

In our recent Federal Funding Report we estimate that the federal government spends \$1.5 billion on health services research, which accounts for less than 5 percent of all federal health research dollars and 0.10 percent of total health care spending. Yet this research has demonstrated that it saves all purchasers of health services (including the federal government) money while improving quality and health outcomes for their patients.

The Coalition recognizes that when this Subcommittee makes an investment in health services research it expects quantifiable results and clear evidence of "what are taxpayers getting for their dollars." Health services research provides information that is saving thousands of lives every year, improving the overall quality of health care provided in this country, and saving millions of dollars for health plans and public health programs. The following are some of the results of the research Congress has funded:

Agency for Healthcare Research and Quality (AHRQ):

- AHRQ funded research shows that **Medicare costs would decrease** if the use of beta blockers after heart failure were more widespread. Treatment without beta blockers is estimated to cost Medicare \$39,739 per patient over five years; treatment using beta blockers is estimated at \$33,675 – a per-patient savings of \$6,064. Researchers

estimated that Medicare would continue to realize savings even if it reimbursed patients for the cost of beta blockers.

- While doctors commonly use a wide array of medications to treat bronchiolitis – the most common lower-respiratory tract disease among infants and toddlers -- an evidence report sponsored by AHRQ shows that there is currently **no compelling evidence to support the use of these medications**. The researchers concluded that well-designed, adequately-sized randomized clinical trials are needed to determine if the most often used medications such as inhaled, oral or intravenous corticosteroids, inhaled epinephrine and nebulized bronchioilators actually work.
- Treating patients with asthma in an emergency diagnostic and treatment unit (EDTU) rather than admitting them to the hospital **resulted in an average reduction of \$1,000 in costs per patient** with no differences in relapse rates between the two groups. And patients treated in the EDTU expressed more satisfaction with service.
- Sixty percent of urologists now use a scientifically valid patient questionnaire, developed with AHRQ support, to measure the symptoms and quality of life for elderly men with benign prostate disease. This **instrument has changed the way urologists and other practitioners work with patients** to make health care decisions.
- AHRQ research shows that **few postmenopausal women who have suffered a fracture receive drug treatment to prevent further fractures**. Reviewing the experience of 3,492 women who had a fracture of the hip, vertebra, or wrist found that only 24 percent received a drug to treat osteoporosis during the year following the fracture.

Centers for Disease Control and Prevention (CDC):

- **Immunization levels.** Research is needed to identify the costs of implementing programs where nurses or pharmacists, where allowed by state law, can administer vaccinations according to an institution- or physician-approved protocol without the need for a physicians order or signature compared to other organized immunization programs in long-term care facilities and, subsequently, to determine the cost-effectiveness of such programs and their components.

CDC's National Center for Health Statistics (NCHS):

- **System Performance.** NCHS monitors the capacity and performance of our health care system by tracking waiting times in emergency departments. This information is critical to measuring unmet health care needs, as well as for assessing our capacity to respond to bioterrorism and other national emergencies.

Centers for Medicare and Medicaid Services, Office of Research, Development and Information (CMS):

- **Physician Group Practice (PGP) Demonstration.** CMS is implementing and evaluating a demonstration involving large Physician Group Practices, testing physician groups' response to financial incentives for improving care coordination, delivery processes and patient outcomes, and the effect on access, cost, and quality of care to Medicare beneficiaries.

While health services research has provided many answers to policymakers, practitioners, and other health system administrators, the demand for additional information on the extent of problems and on the effectiveness of possible solutions greatly exceeds current resources. Increases in funding for those agencies that support health services research are needed to:

- **Control rising health care costs.** Further research is needed into the root causes of rising health care costs and the development of strategies and mechanisms for controlling health care costs without reducing quality.
- **Improve patient outcomes.** Further development of evidence-based practice and quality improvements start by measuring outcomes and determining if the expected results were achieved.
- **Reduce access barriers.** Despite recent expansions in coverage for children and working families, we still have 44 million Americans with no health insurance coverage. Further research is needed now to determine the effectiveness of both public and private strategies to expand coverage.
- **Provider payment incentives for quality and efficiency.** As public and private purchasers test new mechanisms to pay physicians and hospitals to improve efficiency and quality, research is needed to understand the effects of these incentives on over- and under-utilization of care.
- **Improve quality of care for chronic illnesses.** Approximately 125 million Americans live with a chronic illness. Research is needed to determine the most favorable methods for managing these illnesses.
- **Emergency preparedness.** Research is needed to better determine how the public and private health care systems can work effectively together in the event of a natural catastrophe or terrorist attack.
- **Technology.** Technology has the ability to change every aspect of the health care system, from diagnosis to treatment, and from preventing errors to increasing the timeliness of data. Increased research funding is needed to demonstrate the value of specific applications of information technology to improve quality, coordination, and efficiency of care.
- **Translating research into practice.** This Subcommittee is investing tremendous resources in biomedical and clinical research. A greater investment in health services research and knowledge transfer will ensure that these discoveries actually get to practitioners and patients. More research is also needed on the most effective ways to get research results used by patients, practitioners, and policymakers.
- **Comparative effectiveness.** In the Medicare Modernization Act of 2003, Congress recognized the value of research that compares different treatments, drugs, devices, etc. to determine which approach is efficacious and cost effective. Fully funding this research will provide decision makers with the scientific basis for recommending one form of treatment over another.

Many agencies fund and support health services research. Yet many areas of critical importance are either under funded or not funded at all. For these reasons the Coalition recommends that the members of the Subcommittee provide the following levels of funding:

Agency for Healthcare Research and Quality (AHRQ):

AHRQ's mission is to develop scientific evidence that will help us spend our health care dollars wisely. AHRQ research does this by identifying what treatments work best, for whom, when, and at what costs. It also evaluates the effectiveness and efficiency of different approaches for financing, organizing, and delivering health care services. With health care costs rising for all sectors, the federal government, states, and the private sector all need AHRQ to increase its research on this vexing problem.

Under the President's proposed FY2005 budget AHRQ would remain frozen at the FY 2003 level of \$303 million. The Coalition urges a funding level of at least \$443 million to ensure adequate funding for high priority research needs including: understanding the causes of and solutions to rising health care costs; promoting improvements in health care quality; strengthening efforts to translate research into practice; and increasing appropriate access to medical technology. The \$443 million request also includes funding for the comparative effectiveness research authorized in the Medicare Modernization Act.

Centers for Medicare and Medicaid Services, Office of Research, Development and Information (CMS):

The Office of Research, Development and Information 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. With recent significant changes made in the Medicare and Medicaid programs, health services research is needed to continually monitor the programs to determine if any refinements are necessary.

CMS has a very limited research capacity with an FY 2004 budget (of non-earmarked funds) of \$27 million. After paying for the Medicare Current Beneficiary Survey, and other statutory requirements, CMS does not have enough to fund any non-earmarked research projects.

The Coalition supports a funding level of \$88 million of non-earmarked funds to ensure that CMS can both meet its current statutory 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 Medicare and Medicaid.

Centers for Disease Control and Prevention (CDC):

A continuing concern is the issue of inadequate research on the infrastructure for public health: public health systems research. While much attention has been focused on research about the sickness care system, and on improving the public health system's ability to respond to a terrorist attack, insufficient research has been funded on improving the delivery of public health services. Specific concerns include:

- 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?

The President's budget once again proposes to eliminate the \$14 million **extramural prevention research program** – the only extramural health services research program at the CDC. 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. We thank Congress for restoring this program in its FY2003 and FY2004 appropriations. Eliminating the program in FY2005 would jeopardize the value of prior appropriations given that many of these projects are “mid-stream” and need an additional year to complete their work

The Coalition recommends continuing this program at the current appropriation of \$14 million.

The **National Center for Health Statistics (NCHS)** plays a crucial role in health services research by collecting the data needed in many important research areas including the status of the nation's health. This data is also used to measure the impact and effectiveness of health policies and programs. The NCHS budget has remained flat for several years. The President's proposed budget of \$150 million actually represents an increase of \$22 million, which we truly appreciate. This increase is needed to maintain current surveys. Without the President's increase, we run the risk of losing not just the timeliness of the data, but some critical elements of the data set as well.

The Coalition recommends a budget of \$182 million for NCHS. This increase will allow NCHS to:

- Broaden survey content including collecting information on additional health topics such as mental health.
- Fill data gaps for state and local data, for data on race/ethnicity and for more detailed data on type of health care provider.
- Accelerate technological improvements to move from paper systems to electronic (e.g.. to fund states to implement electronic birth and death systems developed with 2005 funding).
- Conduct intramural and extramural research on topics such as survey measures, disclosure, health indicators, informed consent, and issues in translation in order to improve data collection and analytic capabilities.
- Expand data access through a program of Research Data Centers, internet dissemination and other means, to promote data use and address confidentiality constraints.

The successes of health services research would not be possible without the support of this Subcommittee. Scientifically-based evidence is crucial in providing guidance to you and your colleagues as you make difficult decisions that will affect the health and health care services of all Americans.

Coalition for Health Services Research

While the Coalition understands the difficult position the Subcommittee is in given constraints on discretionary spending, we would emphasize that the increases we are seeking are relatively modest, especially given the huge payoff this investment will return to the health care system. Overall, we are seeking an increase of \$256 million over current year funding. This increase in the current investment in health services research will make it possible for policymakers to have the scientific evidence needed to make the difficult choices that will shape the future of our health care system.

We are grateful for the leadership of this Subcommittee in recognizing the important role of health services research in the past through your funding of those agencies that conduct this important activity. We urge the Subcommittee to continue the progress made during the past several years and accept our funding recommendations for FY2005.

If you have any questions or comments about this testimony, please contact Jon Lawniczak, Director, Government Relations at (202) 292-6742 or email at jonathan.lawniczak@academyhealth.org.