AHRQ Update

AHRQ's FY 2005 Budget Request: New Mission, New Vision

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“What we really want to get at is not how many reports have been done, but how many people’s lives are being bettered by what has been accomplished. In other words, is it being used, is it being followed, is it actually being given to patients?... [W]hat effect is it having on people?”

—Congressman John Porter (R-IL), 1998, Chairman, House Appropriations Subcommittee on Labor, HHS, and Education.*

On March 10, 2004, I presented the Fiscal Year (FY) 2005 budget request for the Agency for Healthcare Research and Quality (AHRQ) to the House Subcommittee on Labor-HHS-Education Appropriations of the United States Congress. This is the first step in the lengthy budget appropriations process that every Federal agency undergoes each year to secure its funding.

Although the Federal fiscal year ends on September 30, in recent years Congress has not completed its work until much later in the year. It is important to note that AHRQ's FY 2005 proposal may change as the process evolves so the final legislation may look different than what I am describing in these pages. We will keep you informed of the changes through this publication and other means.

NEW MISSION—REINVIGORATED FOCUS

In presenting the FY 2005 budget, AHRQ introduced a new strategic plan with a new mission statement and vision and updated strategic goals. Our ultimate aim is to ensure that this new framework creates real change in the health care system. The challenge of research “lost in translation” has received a great deal of scrutiny this past year, reinforced by national reports indicating substantial opportunities for health system improvements. (AHRQ 2003; Lenfant 2003; McGlynn, Asch, Adams, Keesey, Hicks, DeCristofaro, and Kerr 2003).

The new mission reflects our expanding role in helping the health care system translate research into improved practice and policy. In short, consistent with the legislative interest that established the Agency in 1989, AHRQ must focus on both the production and *use* of evidence to improve practice and policy. Although AHRQ is first and foremost a research funding agency, we recognize that research is not an end in itself, but rather, a vehicle to improve health care and ultimately, health. To that end, AHRQ's new mission is "to improve the quality, safety, efficiency and effectiveness of health care for all Americans."

AHRQ's vision and goals establish a foundation for operationalizing the new mission. The vision of the Agency is to foster health care research that helps the American health care system provide access to high quality, cost-effective services; to be accountable and responsive to consumers and purchasers; and, to improve health status and quality of life. An essential part of this vision is assuring that research findings are ready to be used by health care decisionmakers, including policymakers, private sector leaders, providers, clinicians, and patients/consumers.

The new strategic framework guides AHRQ's activities, which will be distributed among four critical goals for improving the Nation's health and health care. The first three goals provide the structure and framework for our research and translation activities. The fourth goal governs how the Agency does its work and provides service to our customers.

- Goal 1. Safety/Quality: Improve health care safety and quality for all Americans through evidence-based research and translation and build capacity to improve the quality of health care for all Americans.
- Goal 2. Efficiency: Develop strategies to improve access, foster appropriate use, and reduce unnecessary expenditures.
- Goal 3. Effectiveness: Translate, disseminate, and implement research findings that improve health care outcomes.
- Goal 4. Organizational Excellence: Develop efficient and responsive business processes.

Over the course of FY 2004, we will be pilot testing the goals and a new management structure that will help ensure the coordination of Agency activities to maximize our impact on the health care system. The new management structure distributes the Agency's research programs and other initiatives into 11 portfolios which are based on an analysis of current

investments, Department priorities and our mission as articulated by Congress in the authorizing legislation. The portfolios are:

- Bioterrorism
- Data development
- Chronic care management
- Socioeconomics
- Informatics
- Quality/safety of patient care
- Long-term care
- Pharmaceutical outcomes
- Prevention
- Training
- Organizational support.

This new organizational structure will not alter how researchers interact with the Agency, except that strengthening our organizational support functions will make us more responsive and improve our customer service. In addition, we look forward to helping researchers identify strategic opportunities to assure that important findings are communicated expeditiously to public and private decision makers.

The new emphasis on translation and implementation will change the guidance provided to prospective applicants. Researchers will be encouraged to identify who will use their findings and how they will be used, and include in their applications a clear plan for ongoing consultation with users. At the end of the project, AHRQ staff will work with researchers to identify opportunities to share key findings with users before publication. The objective is *not* to jeopardize publication, but when relevant, to assure that decision makers are ready to act on the information at the time of publication. An important component of a successfully funded project will be ongoing communication with AHRQ program staff.

SUMMARY OF FY 2005 REQUEST

Patient Safety

The FY 2005 budget for AHRQ totals \$303,695,000, the same level enacted for FY 2004. Although there is no increase in funds and there are specified

earmarks in the proposal, a number of grants and contracts end in FY 2004 allowing us to reinvest the funds in new grants and contracts in FY 2005.

The centerpiece of our request is our continued focus on improving patient safety and reducing medical errors through the implementation and evaluation of health information technologies by hospitals, health systems, and local communities. In addition, the Agency will continue to concentrate its efforts on closing the health care disparities gap, improving and measuring quality of care, and expanding the adoption of research into real-world settings.

The FY 2005 budget requests \$84 million for AHRQ's efforts to improve patient safety. These efforts will build on research—much of it conducted by the readers of this journal—showing the promise of information technology in reducing errors.

For example, research has shown that bar coding can reduce medication errors attributable to errors in administration. By using new bar-coding software, Colmery-O'Neil Veterans Affairs Medical Center in Kansas has experienced a 93 percent improvement in errors related to drugs given to the wrong patient; an 87 percent decrease in errors related to administering drugs to patients at the wrong time; a 75 percent decrease in errors caused by the administration of wrong medication; and a 62 percent decrease in errors caused by incorrect dosing. This is one small example of the work in this area and of the potential that exists.

As in FY 2004, \$50 million will be made available in FY 2005 to help hospitals and other health care providers invest in information technology designed to improve patient safety, with an emphasis on small communities and rural hospitals and systems. These technologies include computerized order entry, computer monitoring for potential adverse drug events, automated medication dispensing, computerized patient records, and hand-held electronic devices for prescription information.

We will be working closely with our partners in both the public and private sectors to implement health information technology applications of demonstrated value throughout the health care system. AHRQ wants to harness the potential of these technologies to greatly reduce medical errors and achieve significant savings in the health care system. This investment is consistent with recent guidance from the Institute of Medicine. In their most recent report on patient safety, *Patient Safety: Achieving a New Standard for Care*, the IOM underscored the importance of two prerequisites to achieving a health care system that is reliably safe: an information infrastructure and a culture of safety (Philip, Corrigan, Wolcott, and Erickson 2003).

Also as part of our investment in information technology, AHRQ in collaboration with the HHS Office of Planning and Evaluation will invest \$10 million to continue the development of clinical terminology, messaging standards, and other tools needed to accelerate the use of cost-effective health care information technology and the development of a National Health Information Infrastructure. AHRQ will fund research to identify barriers and practical solutions to the development and use of health information systems to support quality improvements and patient safety since the lack of clinical terminology and messaging standards that support interoperability is one major obstacle to change.

The remaining \$24 million in AHRQ's proposed patient safety budget supports a range of activities. AHRQ will continue to work collaboratively with the Centers for Disease Control and Prevention, the Food and Drug Administration, and the Centers for Medicare & Medicaid Services to develop a common Web interface for medical providers that will both enhance the usefulness of adverse event information and reduce the reporting burden in the health care community. This streamlined reporting system will integrate data from such systems as the National Healthcare Safety Network operated by CDC as well as the reporting systems for drugs, biologics, vaccines, and medical devices operated by FDA.

ADDITIONAL AHRQ PRIORITIES

The FY 2005 request proposes a continued investment of \$162 million in research and dissemination activities in prevention, acute-and long-term care, pharmaceutical outcomes, and other areas to support the quality of health care. AHRQ will to continue to work with health care professionals and organizations to improve the quality, effectiveness and efficiency of health care through implementation of evidence-based strategies and programs. Highlights of projects in this area are described below.

Under the FY 2005 budget, AHRQ has requested \$3.4 million to support the Centers for Education and Research on Therapeutics program, which promotes the safe and effective use of pharmaceuticals and medical devices. The program is administered as a cooperative agreement by AHRQ in consultation with the Food and Drug Administration to promote the safe and effective use of therapeutics. The Centers have completed several important projects since their inception. For example, researchers at the University of North Carolina Center found a link between rickets in breast-fed

children and a lack of vitamin D supplementation, especially among black infants. As a result of this study, the North Carolina Department of Health made vitamin D available free to breast-feeding women through its Women, Infants, and Children program.

We are requesting \$4 million to support our Evidence-based Practice Centers (EPCs) program. In addition to clinical issues, the EPCs will be focusing on economic studies; the effectiveness of financial incentives to patients and providers to enhance the delivery of clinical preventive services; and cost studies, such as the burden of illness/economic consequences of occupational asthma.

The FY 2005 request includes \$2 million for the Practice-based Research Networks (PBRNs) which are groups of community-based practices across the nation that work with researchers to study questions related to primary care and assure that findings are incorporated into their practices. Because 60 percent of physicians in this country practice in groups comprised of five or fewer physicians, the PBRNs provide an effective means of getting research findings translated into practice.

The request also provides \$6.6 million for continued support of the following research grant programs: small research grants, conference research grants, dissertation research grants, grant supplements, and the research career program. In addition, the request includes \$6 million for Research Empowering America's Changing Healthcare System, which will expand work in the area of adopting research findings in real world settings, assessing their impact and generalizability, and promoting rapid uptake of successful efforts. The initiative builds on our efforts toward translating research into practice by funding demonstration projects and other strategies to support the broad adoption of research results.

AHRQ has requested \$1 million to renew several grant programs that help support the health care quality infrastructure. The first is the Building Research Infrastructure & Capacity Program (BRIC), which targets grants to build the research capacity in States that traditionally have not been involved in health services research. For example, in Mississippi where health care for children living in the Delta region is poor or nonexistent, a BRIC grantee has formed partnerships with several pediatric experts, including consultants from Harvard. These partnerships are essential to the Department's efforts to improve care for residents of this region. The second program is the Minority Research Infrastructure Support Program, a program to increase the research capacity of institutions that serve racial and ethnic minorities. The research conducted by these institutions focus on the priorities of the Department of

Health and Human Services in reducing racial and ethnic disparities and improving health for priority populations.

The FY 2005 request includes \$55.3 million for the Medical Expenditure Panel Survey. MEPS provides detailed national data on the health services Americans use, how much they cost, and who pays. It is the only national source of visit-level information on medical expenditures. MEPS data are critical for tracking the impact of Federal and State programs, including the State Children's Health Insurance Program, Medicare, and Medicaid. Related AHRQ sponsored research using MEPS data on health insurance premiums, health expenditures, and payment sources has improved our understanding of the functioning of the employment-related health insurance market and the cost and availability of coverage for workers in different economic and employment circumstances.

QUALITY AND DISPARITIES REPORTS

We are pleased that earlier this year we released the first two national reports dealing with quality and disparities in health care. AHRQ has budgeted \$3 million in FY 2005 to support the next editions of these reports. The *National Healthcare Quality Report* and the *National Healthcare Disparities Report* are the first comprehensive national efforts to assess the quality of health care and disparities in access to services. The reports provide an important message for the nation—we are making progress in enhancing health care quality and access, but we can and must do more. Both reports emphasize missed opportunities for prevention. For example, in 2000, only 24 percent of patients reported having received five recommended diagnostic tests (annual eye exams, influenza vaccinations, annual HbA1c checks, annual foot exams, and cholesterol tests every two years). In another example, only 23 percent of patients with high blood pressure have it under control. Among its many findings, the *Disparities Report* found that people of lower socioeconomic status and blacks have higher death rates than other groups for all cancers combined. We are very pleased that major health care leaders have pledged that they will use the findings to guide their improvement efforts.

The reports include a wealth of data on quality and health disparities that is invaluable to the research community. The reports are available on a new AHRQ Web site called QualityToolsTM, which can be accessed at www.qualitytools.ahrq.gov. This clearinghouse provides information for health care providers, patients, and others to take effective steps to improve quality.

AHRQ's FY 2005 budget request will support our efforts to improve the quality and safety of health care through a reinvigorated commitment to translating research into practice. It also will allow us to fund a wide range of important activities. Some activities are highlighted in this article, others are ongoing priorities and yet others are unforeseen challenges such as bioterrorism. Additional details on AHRQ's FY 2005 budget are available at <http://www.ahrq.gov/about/cj2005/cjweb05.htm>.

AHRQ must and will continue to support innovative research applications that address critical health care system challenges but do not fit neatly within the previously mentioned portfolios. We want to hear from the research community about research findings that have made a difference—and we also want to hear about what might be called “productive failures.” The information presented in the *National Healthcare Quality and Disparities Reports* highlights the urgency of identifying and implementing solutions now. We look forward to hearing your ideas about how we can make progress together.

NOTES

*At the FY 2005 hearing, Congressman Ralph Regula (R-OH), the current chair of the House Appropriations Subcommittee on Labor, HHS, and Education, asked a series of questions that echoed the challenge laid out by former Congressman Porter.

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