



October 26, 2010

The Honorable Harry Reid
Majority Leader
U.S. Senate
S-221
U.S. Capitol Building
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
H-232
U.S. Capitol Building
Washington, DC 20515

Dear Majority Leader Reid and Speaker Pelosi:

We are writing to urge you to include the highest proposed funding increases in the fiscal year (FY) 2011 Appropriations bills for the Agency for Health Research and Quality's (AHRQ) work in patient safety and comparative effectiveness; the Center for Disease Control and Prevention's (CDC) work in prevention and wellness; and the Food and Drug Administration's (FDA) work in monitoring and evaluating drug, device, and food safety. All of these investments will dramatically advance the nation's ability to deliver high quality, safe, patient-centered, effective, evidence-based health care. Not only will patients be better off, but the nation's productivity will be improved, and overuse of ineffective, inappropriate health services will be reduced.

We continue to support your efforts to keep America healthy and "bend the cost curve" by preventing costly chronic diseases, stemming the cause of disability, improving patient safety, identifying the most effective treatments, discovering new therapies and cures, developing a robust health workforce and protecting our nation's food and drug supply.

The National Business Group on Health (Business Group) represents approximately 300, primarily large, employers (including 64 of the Fortune 100) who voluntarily provide health care benefits and other health programs to over 50 million American employees, retirees, and their families.

AHRQ's Work in Patient Safety and Comparative Effectiveness

Recommendations: We recommend that Congress provide an increase to the Senate Appropriations Committee's proposed \$397,053,000 for AHRQ to ensure that the agency can continue to meet its expanded role and functions under the Patient Protection and Affordable Care Act (Affordable Care Act) to improve our nation's quality of care.

Specifically, we recommend that Congress provide a significant increase to the Senate Appropriations Committee's \$10,000,000 in transfers from the Prevention and Public Health Fund for clinical preventive services research for AHRQ to focus on the areas of health risk assessment, patient safety, health equity, and to implement clinical preventive care services in primary care practices. AHRQ needs a significant increase in direct funding for patient safety activities to implement the Secretary of Health and Human Services' new research priorities and the Affordable Care Act's National Prevention and Health Promotion Strategy.

We also support an increase in the Senate Appropriation's Committee's \$35,000,000 for comparative effectiveness research (patient-centered outcomes research), a \$14,000,000 increase over FY 2010, which is significantly below the \$272,750,000 the President requested to evaluate the relative effectiveness of different health care services and treatment options and would build on the American Recovery and Reinvestment Act's initial expansion of this research and the Affordable Care Act's Patient-Centered Outcomes Research Institute.

We appreciate the Senate Appropriations Committee's \$213,859,000 increase over the FY 2010 appropriation for AHRQ; however, it is far below AHRQ's congressional funding request of \$610,912,000. As you know, AHRQ is the only federal agency with the primary mission to improve the quality, safety, efficiency, and effectiveness of health care for all Americans. AHRQ's mission is fundamental to ensuring that the federal government garners any real savings from the demonstrations and innovative payment reform pilot programs authorized under the Affordable Care Act. In particular, AHRQ needs increased funds to provide health care providers training in the innovative methodologies and strategies authorized under Section 933 of the Affordable Care Act for quality improvement practices in the delivery of health care services that represent the best practices in health care quality, safety, and value.

The Business Group believes that health care quality and patient safety remain at unacceptably low levels and that an increased federal investment in the patient safety activities at AHRQ will lead to lower costs and direct improvements in the health and productivity of the U.S. workforce.

The Business Group also believes that a significant and stable federal investment in comparative effectiveness research will lead to improved quality and better patient outcomes; more engaged and better informed patients; better educated physicians and other health care professionals and reductions in health care disparities and unnecessary and duplicative care.

CDC's Work in Prevention and Wellness

Recommendations: We recommend that Congress provide increased funding in the FY 2011 Appropriations bills to allow the CDC to fully implement Section 4303 (399MM) of the Affordable Care Act to provide employers (small, medium and

large) with adequate technical assistance, consultation, tools, and other resources to evaluate employer-based wellness programs.

We also recommend that Congress significantly increase the Senate Appropriation's Committee's proposed \$21,026,000 for preventive health care services, which is only \$3,000 above the FY 2010 level. Congress needs to provide increased funding to the CDC in order to fully implement the Affordable Care Act's National Prevention and Health Promotion Strategy which will contain specific plans to ensure that all Federal and non-Department of HHS prevention programs are based on the science-based guidelines developed by the CDC.

The Business Group believes that increased technical assistance from the CDC will assist employers to adopt wellness programs and more employees to participate in them, which will lead to a healthier America. The Affordable Care Act increases the percentage of incentives allowed under the voluntary wellness program exceptions to the Health Insurance Portability and Accountability Act's (HIPAA) nondiscrimination rules from 20% to 30% of total plan coverage costs. Accordingly, more and more employers will likely need technical assistance from the CDC in order to evaluate existing employer-based wellness programs and to determine if they can provide these viable programs to their employees.

While the Senate Appropriations Committee increased the CDC's total funding by \$100,864,000 over FY 2010 to \$6,905,810,000 and the Affordable Care Act created a significant Prevention and Public Health Fund, the Senate bill only provides a \$3,000 increase for preventive health care services. In addition, the HHS Secretary has already begun awarding funds from the Prevention and Public Health Fund without increasing funding for the CDC to meet its responsibilities to develop and implement the Affordable Care Act's National Prevention and Health Promotion Strategy.

The Business Group also supports increased funding for evidence-based preventive care services that could effectively prevent many chronic disease and acute care conditions. Only 1% of the over \$2 trillion dollars spent on health care in the United States is devoted to protecting health and preventing illness and injury and chronic diseases are the leading cause of direct health care costs for employers.

The FDA's Work in Monitoring and Evaluating Drug and Food Safety

Recommendation: We continue to support viable increases in FDA funding that will build on the Senate Appropriations Committee's proposed \$159,193,000 increase from FY 2010. Specifically, we support the Senate Appropriations Committee's proposed \$43,323,000 for the FDA's drug, device, and biologics safety activities and the \$83,000,000 investment in food safety.

The National Business Group on Health believes that we must strengthen the FDA's post-market surveillance and monitoring of medications and food products, even after

they are already on the market. We also support increased FDA authority to take action when safety problems are found, and more complete and timely disclosure of potential safety problems to health care professionals and the public.

Thank you for considering our recommendations to include the highest proposed funding increases in the FY 2011 Appropriations bills for AHRQ's work in patient safety and patient-centered outcomes research; the CDC's work in prevention and wellness; and the FDA's work in monitoring and evaluating drug and food safety. Please contact me or Steven Wojcik, the National Business Group on Health's Vice President of Public Policy, at (202) 585-1812, if you would like to discuss our comments in more detail.

Sincerely,



Helen Darling
President

cc:

The Honorable Mitch McConnell, Minority Leader, U.S. Senate

The Honorable John Boehner, Minority Leader, U.S. House

The Honorable Tom Harkin, Chair, Senate Appropriations Subcommittee on Labor, Health and Human Service and Education

The Honorable Thad Cochran, Ranking Member, Senate Appropriations Subcommittee on Labor, Health and Human Service and Education

The Honorable Herb Kohl, Chair, Senate Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration

The Honorable Sam Brownback, Ranking Member, Senate Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration

The Honorable David Obey, Chair, House Appropriations Subcommittee on Labor, Health and Human Service and Education

The Honorable Todd Tiahrt, Ranking Member, House Appropriations Subcommittee on Labor, Health and Human Service and Education

The Honorable Rosa DeLauro, Chair, House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration

The Honorable Jack Kingston, Ranking Member, House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration