

FY 2013 Congressional Justification Overview of AHRQ Budget Request By Portfolio

The FY 2013 Program Level Request for AHRQ is \$408.8 million, an increase of \$3.7 million or +0.9 percent from the FY 2012 level. AHRQ's total budget is comprised of three funding streams:

- \$334.4 million in Public Health Service (PHS) Evaluation Funds. This funding is a decrease of \$34.7 million (-9.4%) below the FY 2012 level. PHS Evaluation Funds are a type of budget authority appropriated by Congress.
- \$62.4 million in Patient-Centered Outcomes Research Trust Funds. This funding is an increase of \$38.4 million over the FY 2012 level. These resources are mandatory funds appropriated to establish grants to train researchers, to disseminate research findings of the Patient-Centered Outcomes Research Institute and other government-funded research, to assist with the incorporation of research findings, and to establish a process for receiving feedback on disseminated information.
- \$12.0 million in Prevention and Public Health Funds, the same level of support as the previous year. Prevention and Public Health Funds are authorized by Section 4002 of the Patient Protection and Affordable Care Act and allocated by the Department of Health and Human Services (HHS), in consultation with Congress.

AHRQ FY 2013 funding by Research Portfolio is provided below.

Patient-Centered Health Research is funded at \$72.4 million, an increase of \$31.8 million from the FY 2012 Enacted level. There are two funding sources for this Portfolio:

- PHS Evaluation Funds totaling \$10.0 million, a decrease of \$6.6 million from the FY 2012 level. The FY 2013 Request level for PHS Evaluation Funds provides support for evidence generation (\$6.7 million) and evidence synthesis (\$2.1 million), and provides funding for grant commitments for translation and dissemination (\$0.25 million) and training and career development (\$0.90 million). No funding is provided for horizon scanning, evidence gap identification, or the Community Forum. The Patient-Centered Outcomes Research Portfolio will continue its emphasis on a transparent and inclusive program of evidence synthesis and research on comparing health care strategies and interventions, along with a robust program of translating findings to patients, caregivers, clinicians, and policymakers.
- Patient-Centered Outcomes Research Trust Funds totaling \$62.4 million, an increase of \$38.4 million over the FY 2012 level. These funds will be allocated later this year using a spend plan.

Prevention/Care Management Research is funded at \$27.9 million, the same level of support as the previous year. The Portfolio has two funding sources:

- PHS Evaluation Funds totaling \$15.9 million, the same level of support as FY 2012. These funds will provide \$4.3 million in support for the U.S. Preventive Services Task Force (USPSTF), for a total program level of \$11.3 million, including Prevention and Public Health Funds. An additional \$7.0 million is provided for research grants to improve primary care and clinical outcomes, which will support new investments in improving quality of care for people with multiple chronic conditions and in rapid cycle

research to improve the delivery of primary care. It also includes \$4.4 million to support implementation activities to improve primary care. These funds will support ongoing contract research, technical assistance, and tool and measurement development in the areas of the patient-centered medical home and the integration of mental health services in primary care.

- Prevention and Public Health Funds totaling \$12.0 million, the same level as the previous year. Of this amount, \$7.0 million will be directed to the USPSTF and \$5.0 million will provide for the continued support of the Research Centers for Excellence in Clinical Preventive Services, which were first funded in FY 2011.

Value Research is funded at \$3.6 million, a decrease of \$0.11 million or -3.1 percent from the FY 2012 Enacted level. Research contract funds will support a comprehensive program that provides the measures, data, tools, and evidence needed to improve value, and partners with the field to turn this knowledge and tools into meaningful change. In 2013, AHRQ will focus on MONAHRQ 2.0—an award-winning Web builder tool designed by AHRQ to provide community leaders and consumers with timely local information about health and health care. To improve value in health care, AHRQ must be able to measure and track quality and cost, identify strategies to improve both, and partner with the field to implement findings. The Agency is currently seeking to move forward on all three fronts by supporting work to develop and expand measures, data, and tools to support transparency, public reporting, and quality improvement.

Health Information Technology (IT) Research is funded at \$25.6 million, the same level of support as the FY 2012 Enacted level. The FY 2013 Request level provides \$6.7 million in new research grants for investigator-initiated health IT research and for research on consumer-focused uses of health IT and health care decisionmaking. In order to support new research, the Portfolio will curtail dissemination efforts. Coordinated efforts across the Department, including planned investments through the Office of the National Coordinator for Health IT and the development of a single, HHS-wide health IT-focused Web site, allow AHRQ to capitalize on new dissemination platforms and invest less in this activity. AHRQ's Health IT Portfolio has continued to build and disseminate new evidence for how health IT can be used to improve quality. Areas of focus to date include medication management, patient-centered care, and improved decisionmaking.

Patient Safety Research is funded at \$62.6 million at the FY 2013 Request level, a decrease of \$2.97 million or -4.5 percent from the FY 2012 Enacted level. Of this total, \$34.0 million will be directed to research with a focus on prevention of healthcare-associated infections (HAIs), the same level of support as the FY 2012 Enacted level. Additional support will be provided to continue the operation of the Patient Safety Organizations program (\$7.0 million) and Patient Safety Risks and Harms (\$21.6 million, a decrease of \$2.97 million). Through AHRQ's Patient Safety Portfolio, the Agency will continue its strong focus on the development and implementation of evidence-based tools and safe practices that aim to eliminate serious patient harms that occur as unintended consequences of health care, such as HAIs and other patient safety events. AHRQ-funded patient safety projects apply and expand a scientific base that draws from disciplines such as clinical science, human and work systems factors, and epidemiology, and approaches to accelerate adoption and implementation of safe practices that have successfully improved care.

Crosscutting Activities Related to Quality, Effectiveness, and Efficiency Research is funded at \$88.9 million, a decrease of \$19.4 million or -17.9 percent from the FY 2012 Enacted level. This decrease is directed to both research grants (-\$14.8 million) and research contracts (-\$4.6 million). The FY 2013 Request level does provide \$2.7 million for new grants, all of which

will support new investigator-initiated research. At the Request level, total investigator-initiated research (continuing and new grants) totals \$29.3 million, a decrease of \$14.2 million from FY 2012. AHRQ was fortunate to receive a large amount of new investigator-initiated research funds in FY 2011 and 2012. In FY 2013, AHRQ will provide its funding through targeted research announcements (through other Research Portfolios) and will work with the research community to foster innovation through these opportunities.

The Medical Expenditure Panel Survey (MEPS) will be funded at \$59.3 million, the same level of support as the FY 2012 Enacted level. This funding level will allow MEPS to operate at current levels. MEPS data have become the linchpin for economic models of health care use and expenditures. These data continue to be key for the evaluation of health reform policies and analyzing the effect of tax code changes on health expenditures and tax revenue. In FY 2013, MEPS data will be used to address several components of the Affordable Care Act, including determining the amount of the small employer health insurance tax credit and helping establish baselines on the availability, takeup, cost, and affordability of health insurance coverage.

Program Support will be funded at \$68.4 million, a decrease of \$5.6 million or -7.5 percent from the FY 2012 level. A total of \$4.1 million of this reduction is associated with a one-time expenditure in FY 2012 for tenant improvements associated with AHRQ's building move. AHRQ will implement several administrative efficiencies and prioritize operational functions for FY 2013 to offset the additional reduction.

Table. AHRQ Budget Detail

	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Request Level	+/- Over FY 2012 Enacted
Research on Health Costs, Quality, and Outcomes				
<i>Patient-Centered Health Research</i>	\$29,000	\$40,600	\$72,400	+\$31,800
Patient-Centered Outcomes Research Trust Fund Transfer (non-add)	\$8,000	\$24,000	\$62,400	+\$38,400
Evaluation Funds	\$21,000	\$16,600	\$10,000	-\$6,600
<i>Prevention/Care Management</i>	\$27,904	\$27,904	\$27,904	\$0
USPSTF - Prevention and Public Health Fund (non-add)	\$7,000	\$7,000	\$7,000	\$0
Prevention Research - Prevention and Public Health Fund (non-add)	\$5,000	\$5,000	\$5,000	\$0
Value	\$3,730	\$3,730	\$3,614	-\$116
<i>Health Information Technology</i>	\$27,645	\$25,572	\$25,572	\$0
<i>Patient Safety</i>	\$65,585	\$65,585	\$62,614	-\$2,971
<i>Crosscutting Activities Related to Quality, Effectiveness, and Efficiency</i>	\$111,789	\$108,377	\$88,931	-\$19,446
<i>Total Program Level</i>	\$265,653	\$271,768	\$281,035	+\$9,267
Public Health Service Evaluation Funds	\$245,653	\$235,768	\$206,635	-\$29,133
Medical Expenditure Panel Surveys	\$58,800	\$59,300	\$59,300	\$0
Program Support	\$67,600	\$73,985	\$68,422	-\$5,563
<i>Total Program Level</i>	\$392,053	\$405,053	\$408,757	+\$3,704
Public Health Service Evaluation Funds	\$372,053	\$369,053	\$334,357	-\$34,696
Prevention and Public Health Fund	\$12,000	\$12,000	\$12,000	\$0
Patient-Centered Outcomes Research Trust Fund Transfer	\$8,000	\$24,000	\$62,400	+\$38,400

Note: Dollars in thousands.