

## HEALTH POLICY CORNER: PART III

## Keeping the AHRQ Tap Flowing

Gary E. Rosenthal, MD

*Dr. Rosenthal is chair of the SGIM Health Policy Committee's Research Subcommittee and is faculty at the University of Iowa Carver College of Medicine and the Iowa City VA Medical Center.*

A major focus of SGIM's advocacy efforts in research and health policy centers on the Agency for Healthcare Research and Quality (AHRQ), the federal agency that funds research to build the evidence base that is needed to make health care safer; higher quality; and more accessible, equitable, and affordable.<sup>1</sup> Specifically, "SGIM supports strengthening AHRQ at a time of change in the healthcare system and believes that Congress should provide not less than \$375 million in base funding and encourage AHRQ to increase the portion of its funds used for investigator-initiated research and the career development of young investigators."

AHRQ has been in the cross hairs of political battles between the House and Senate to cut federal spending; several House-led bills over the past several years have attempted to eliminate funding for AHRQ. The antipathy toward AHRQ by some factions in Congress has a long history. As many of you likely remember, the House first sponsored legislation to eliminate AHRQ's predecessor agency, AHCPR, in 1995 as a result of opposition by the orthopedic surgery community to an AHCPR guideline panel that concluded that there was little evidence to support surgery as a first-line treatment for low back pain. The argument that was advanced by many in the orthopedic community (in conjunction with medical device manufacturers)—that the AHCPR guidelines represented government intrusion into medical practice—resonated with the Republican majority in the House and with their perceived mandate to reduce the size of government. AHCPR's name appeared on a House Budget

Committee list of 140 federal programs targeted for elimination, calling AHCPR the "Agency for High Cost Publications and Research."<sup>2</sup>

While the agency endured this initial challenge, the SGIM Health Policy Committee (HPC) has remained vigilant to efforts to eliminate AHRQ's funding. Most recently, these efforts have taken a new twist, with the development of a draft FY2015 appropriations bill from the Labor, Health, and Human Services Subcommittee, chaired by Jack Kingston (R, Georgia), that would eliminate the "Evaluation Tap."

The Evaluation Tap was established in 1970 to enable the transfer of funds between agencies authorized by the Public Health Services (PHS) Act and funded through the Labor-Health and Human Services (HHS)-Education appropriations bill. The Tap authorizes the HHS secretary to use a portion of the appropriations of its public health agencies to evaluate the effectiveness of federal health programs and to identify strategies for these programs. The agencies that are subject to the Tap include the National Institutes of Health (NIH), the Health Resources and Services Administration (HRSA), the Centers for Disease Control (CDC), and the Substance Abuse and Mental Health Services Administration (SAMHSA). The effect of the Tap is to reduce the funds that are available to these agencies.

The Tap mechanism is used to provide support funds to a number of agencies including AHRQ. AHRQ's appropriated budget is fully funded by the Tap; in FY2014, this amounted to \$364 million. AHRQ also receives a transfer from the Patient Centered Outcomes Research Trust; in FY2014, this amounted to

an additional \$104 million. Thus, more than three quarters of AHRQ's funds are derived from the Evaluation Tap. Other programs funded through the Tap include the Administration for Children and Families, HRSA's Ryan White AIDS Drug Assistance Program, CDC's National Immunization Survey, CDC's National Center for Health Statistics, CDC's National Institute of Occupational Safety and Health, SAMHSA's Health Surveillance Program, and the Office of the National Coordinator for Health Information Technology. Thus, some of the funds derived from the Tap flow back to support programs in the same agencies that are subject to the Tap.

The original PHS Act established the level of the Evaluation Tap as no more than 1% of the total appropriations of the agencies that are subject to the Tap. In 2004, Congress specified a higher level for the Tap. Since 2011, the Tap has had a maximum level of 2.5% of total Labor-HHS-Education appropriations. In FY2014, the Evaluation Tap totaled \$1.06 billion.

Both Congress and HHS have authorities related to the Tap. In addition to specifying the proportion of appropriations that are subject to the Tap, Congress also specifies the programs and agencies funded through the Tap, while HHS identifies the amount of funds that are "tapped" from NIH, HRSA, CDC, and SAMHSA and determines the amount of funding to be made available to each of the recipient agencies and programs.

Thus, the draft House bill to eliminate the Evaluation Tap could have drastic budgetary consequences for AHRQ and the other programs receiving Tap funds. However, in

continued on page 2

## HEALTH POLICY CORNER: PART II

continued from page 1

sponse to the potential threat from the House bill, the recently drafted FY2015 Senate Labor-HHS-Education Appropriations bill called for AHRQ's funding to be derived solely from the regular Budget Authority and not from the Evaluation Tap—an interesting move in the AHRQ chess game that has been played in recent years between the Democrat-controlled Senate and the Republican-controlled House. While the ultimate outcome related to AHRQ funding for FY2015 remains to be seen, this is an issue that will be closely followed over the coming months, as funding for AHRQ is a high priority for the HPC.

Lastly, while ensuring adequate funding for AHRQ is critical to SGIM,

just as important is how AHRQ utilizes its appropriated funding. In this regard, the Committee has strongly advocated that funding for career development awards should be more consistent over time in order to develop the workforce necessary to sustain the health services research community. The Committee has further advocated that funds for investigator-initiated research be increased. In stark contrast to the NIH, AHRQ expends an extremely small proportion (less than 10% and probably closer to 5%) of its budget on investigator-initiated research. While targeted research initiatives and contract mechanisms may be important in ensuring that funded research ad-

dresses national goals for health care delivery, the Committee believes that a robust program of investigator-initiated research is critical to harnessing the intrinsic curiosity and creativity of the investigators and developing the innovative methodologies that are needed to advance health care delivery science.

### References

1. <http://www.ahrq.gov/about/mission/> (accessed on June 15, 2014)
2. <http://www.washingtonmonthly.com/features/2007/0710.brownle.html> (accessed on June 15, 2014)

SGIM