

Issue: Comparative Effectiveness Research

In 2005, the United States spent \$2 trillion on health care services (about 16 percent of its GDP), more than any other country. Yet this higher spending does not necessarily correspond to higher quality care. In fact, Americans receive recommended care only about half the time, and the cost and quality of health care varies dramatically across the country.^{1,2} Some argue that greater and improved coordinated research comparing the relative clinical effectiveness of medical treatments, preventive services, and diagnostic tests could be an important step toward improving health quality and controlling health care spending. It could also assist providers, payers, and patients in better assessing the most appropriate treatment for a given situation. Better information on possible treatment options is particularly relevant given the growth in consumer-directed health plans that often have higher out-of-pocket costs and require consumers to make decisions as to how best to spend their health care dollars.

Important Points

- Information on the comparative effectiveness of alternative treatments can be an important tool to help consumers and their physicians make better health care decisions. Comparative effectiveness information can also assist payers develop coverage and cost-sharing policies.
- We support the establishment of a national comparative effectiveness research (CER) center responsible for coordinating, promoting, funding, and conducting both comparative clinical and cost-effectiveness research. The center should be not-for-profit and should have a public-private structure with transparent decision-making processes.
- The institute should be governed by a board made up of government and private stakeholders and should include representation by pharmaceutical and device manufacturers, health plans, employers, physicians, patient advocate organizations, and, in particular, academic and scientific experts in comparative clinical and cost effectiveness research and methodologies. It should, to the extent possible, be insulated from political or special interests that might promote higher cost or lower quality technologies or treatments.
- A national CER center should build on the existing capabilities of external organizations already engaged in similar research and should contract with qualified organizations to perform clinical or other studies. The center should utilize literature reviews, controlled clinical trials, and both retrospective and prospective, real-world effectiveness studies.
- The center should be responsible for prioritizing research topics, developing consensus on methodological approaches to and conducting research on both clinical and cost-effectiveness, considering ways to lower the cost of clinical trials, and disseminating research findings to the public, providers, and payers.

- Private entities, including but not limited to health plans, can and should play a role in financing this type of research. The federal government should also contribute stable, sustainable funding. One possible funding source could be the Medicare Trust Fund.

What is WellPoint Doing?

- WellPoint is actively involved in research projects that provide important information to physicians, patients and payers on comparable treatments. These studies of clinical outcomes and comparative effectiveness are performed by HealthCore, a subsidiary of WellPoint, in collaboration with health plans, academic medical centers and pharmaceutical and device companies.
- Our Office of Medical Policy and Technology Assessments bases medical policy, technology assessments, and clinical utilization management (UM) guidelines on scientific evidence demonstrating improved health outcomes, consideration of FDA approval, and discussions with medical specialty societies and academic medical centers. Active medical policies and clinical UM guidelines are disclosed on our company websites.
- We are a member of Blue Health Intelligence (BHI), which, with claims information from 79 million lives, may eventually have the ability to track health outcomes for different treatments, technologies, and clinical practices.
- WellPoint pay-for-performance programs reward physicians and hospitals for improvements in quality and safety. WLP places particular focus on use of physician data registries developed by physician societies (for example, The Society of Thoracic Surgeons and the American College of Cardiology) to determine which practice measures most accurately reflect quality physician practices. These registries can also be useful for comparing the relative effectiveness of various treatments.
- We have actively worked with trade associations, including the Blue Cross and Blue Shield Association and America's Health Insurance Plans, to influence their proposals for comparative effectiveness institutes.
- We are a member of the Alliance for Better Health Care (ABHC), a coalition of consumers, employers, health care providers, health care payers, and research organizations that seek to promote comparative effectiveness research in order to facilitate high quality health care.

¹ McGlynn EA, Asch SM, Adams J, Keesey J, Hicks J, DeCristofaro A, Kerr EA. "The Quality of Health Care Delivered to Adults in the United States," *New England Journal of Medicine*, Vol. 348, No. 26, June 26, 2003, pp. 2635-2645.

² The Quality of Medical Care in the United States: a Report on the Medicare Program. The Center for the Evaluative Clinical Sciences, Dartmouth Medical School. The American Hospital Association, 1999. <<http://www.dartmouthatlas.org/atlas/99Atlas.pdf>>. 1999