

**Comments Sent To Citizens' Health Care Working Group on their
Interim Recommendations**

Consumers Union, the independent non-profit publisher of *Consumer Reports*,¹ congratulates the Citizens' Health Care Working Group for an excellent preliminary report. Consumers Union's commitment to advocate for universal health care stems from the very beginning of our existence. For the millions of Americans who face financial barriers to care, delayed or denied care, a patchwork system, and financial hardships (even bankruptcy) from our failed system, reform is long overdue. And this is an urgent issue of life and death: as the prestigious Institute of Medicine has reported, about two Americans die every hour of the day prematurely and unnecessarily because of lack of health insurance.

Your recommendations, if adopted, would provide both health care security and affordability for all Americans—and would answer the key consumer concerns.

Americans spend almost twice as much as the average industrialized nation on health care, but so often receive second-rate care, particularly if they are lower income. It is like buying a new car at sticker price and getting a clunker of a used car to drive.

We appreciate your willingness to discuss the need to finance any additional costs from ensuring adequate care and access for all Americans. We believe that public debate about how to best pay for our health care costs has been a key reason our nation has not been able to reach a consensus on how to achieve universal health care coverage.² But even more, we appreciate your emphasis on the need to use science and hard evidence in deciding what to pay for and how much to pay for it. Because we have failed to adequately research the comparative effectiveness of various medicines and procedures, we often pay too much for medical services that do not work well. We can no longer afford to treat all medical processes as “Lake Wobegon children”—they are not all above average and we cannot afford to pay for below average quality and effectiveness. The more we emphasize hard scientific evidence, the less we will need to consider taxes.

In recent years, Consumers Union has developed a public education service called Consumer Reports Best Buy Drugs. This program uses the drug safety and effectiveness work of the Drug Effectiveness Review Project (DERP), which is based at Oregon Health and Science University.

¹ Consumers Union is a nonprofit membership organization chartered in 1936 under the laws of the State of New York to provide consumers with information, education and counsel about goods, services, health, and personal finance. Consumers Union's income is solely derived from the sale of Consumer Reports and ConsumerReports.org, its other publications and from noncommercial contributions, grants and fees. In addition to reports on Consumers Union's own product testing, Consumer Reports and ConsumerReports.org, with approximately 6.5 million combined paid circulation, regularly carry articles on health, product safety, marketplace economics and legislative, judicial and regulatory actions that affect consumer welfare. Consumers Union's publications carry no advertising and receive no commercial support.

² At the same time, we acknowledge that there are those who do not believe that more insurance coverage is the correct solution, preferring instead to see higher deductibles, and more unfettered marketplace activity. There is not yet a national consensus regarding the appropriate role of the government vs. the private marketplace.

Three AHRQ-sponsored Evidence-Based Practice Centers or EPCs (at OHSU, UNC, and California Rand) are involved in preparing systematic reviews of the comparative effectiveness of drugs for DERP. These systematic reviews are prepared by the EPC's on behalf of DERP, and review the comparative effectiveness and safety of drugs in various therapeutic categories. They are used by member states to help guide selection of effective, safe, and affordable drugs for their Medicaid programs. (It is of note that the state Medicaid programs that consulted or used the DERP process generally avoided use of Vioxx, thus saving lives and millions of dollars in health care costs.)

Consumer Reports Best Buy Drugs translates the systematic reviews, and adds information on relative price, and presents these reports to the public for free in a consumer-friendly format (at www.CRBESTBUYDRUGS.org). By combining the best pharmaceutical science with pricing data, Consumer Reports Best Buy Drugs information can save consumers hundreds or even thousands of dollars per year while encouraging the use of the safest, most effective medicines.

DERP, combined with research conducted to date under Section 1013 of the Medicare Modernization Act, have demonstrated the power of systematic review to help improve the quality of health care and get better value for health care dollars.

Given this experience, we urge that in your final recommendations you propose an immediate increase in comparative effectiveness funding. While your key recommendations call for health security by 2012, the sooner we start to understand better what works and what doesn't, the less the need for additional tax revenues.

The current budget for comparative research at the Agency for Healthcare Research and Quality is a woefully inadequate \$15 million per year. A 0.05 percent 'fee' on all medical transactions starting in 2008 would raise about \$1 billion dollars a year and give us the research we'd need to launch your recommendations at a lower cost while providing higher quality.

Congratulations again on your recommendations, and we urge all Americans to join in contributing to this effort. We hope that your recommendations will spark long overdue Congressional action on this most pressing issue.

Respectfully submitted
July 7, 2006