
June 1997

Health Services Quality and Public Health Issues

Issue Area Plan for Fiscal Years 1998 and 1999



Foreword

As the investigative arm of the Congress and the nation's auditor, the General Accounting Office is charged with following the federal dollar wherever it goes. Reflecting stringent standards of objectivity and independence, GAO's audits, evaluations, and investigations promote a more efficient and cost-effective government; expose fraud, waste, abuse, and mismanagement in federal programs; help the Congress target budget reductions; assess financial and information management; and alert the Congress to developing trends that may have significant fiscal or budgetary consequences. In fulfilling its responsibilities, GAO performs original research and uses hundreds of databases or creates its own when information is unavailable elsewhere.

To ensure that GAO's resources are directed toward the most important issues facing the Congress, each of GAO's 32 issue areas develops a strategic plan that describes the significance of the issues it addresses, its objectives, and the focus of its work. Each issue area relies heavily on input from congressional committees, agency officials, and subject-matter experts in developing its strategic plan.

The Health Services Quality and Public Health issue area is responsible for GAO's work on national and public health issues. The issue area focuses on evaluating individuals' access to high-quality care in a changing health care environment and on measuring the outcomes and effectiveness of federally funded programs, research, and regulatory activities. The issue area's operational oversight includes the programs of the Food and Drug Administration (FDA), the National Institutes of Health (NIH), the Health Resources and Services Administration (HRSA), the Substance Abuse and Mental Health Services Administration (SAMHSA), the Centers for Disease Control and Prevention (CDC), and other public health service agencies in the Department of Health and Human Services (HHS).

GAO's work on health services quality and public health issues generally focuses on the following issues:

- determining whether the public health service agencies are ensuring the public's health and safety efficiently and effectively,
- assessing opportunities for improving the quality of health care under fee-for-service and managed care payment arrangements,
- assessing opportunities for improving the nation's access to health care, and
- assessing the implications of emerging health care technologies.

In the pages that follow, we describe our key planned work on these pivotal issues.

Because events may significantly affect even the best of plans and because periodic measurement of success against any plan is essential, our planning process allows for updating and provides flexibility to respond quickly to emerging issues. If you have any questions or suggestions about this plan, please call me at (202) 512-7119.

A handwritten signature in black ink, reading "Bernice Steinhardt". The signature is fluid and cursive, with the first name "Bernice" and last name "Steinhardt" clearly distinguishable.

Bernice Steinhardt
Director
Health Services Quality and Public Health Issues

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Table I: Key Issues

Issue	Significance
Public health: How efficiently and effectively are federal agencies and public institutions ensuring the public’s health and safety?	HHS’ eight major public health agencies are undergoing changes, partly because of budget constraints and interest in devolving federal responsibilities to states and the private sector. These organizational shifts occur amid concern about the adequacy of efforts to prevent, control, and treat public health problems such as AIDS, drug use by adolescents, and rising rates of chronic disease. There are also concerns about the regulatory process used to monitor the development and marketing of new drugs, medical devices, and other medical products. In response to these concerns and a changing health care environment, some HHS agencies are modifying their procedures and adopting strategies to improve performance. By requiring agencies to develop strategic plans and goals and to measure their performance, the Government Performance and Results Act provides a useful vehicle for the Congress for obtaining evidence on how well agency initiatives work.
Quality of care: Given pressures to control costs, what measures should be taken to ensure the quality of the nation’s health care?	Efforts to control health care spending have implications for the quality of health care. While the transition to an increasingly managed care market has potential benefits, it also introduces risks that providers will use cost-control measures that compromise access to quality care. These benefits and risks are faced not only by private purchasers of care but also by public purchasers, including the Medicare and Medicaid programs. As the Congress considers ways to curb rising health care costs, it needs information about the consequences of market changes for various dimensions of quality, including the appropriateness of care, health outcomes, and patient satisfaction. The Congress also needs information on the quality of care provided to Medicare and Medicaid beneficiaries under existing fee-for-service arrangements.
Access to care: How can the federal government ensure access to health care for all Americans?	Millions of Americans face barriers to health care because they are uninsured. Additionally, some people with health coverage may be inadequately insured for their medical needs or have insurers who place restrictions on their access to care. Still others face barriers because they live in areas that have an inadequate supply or mix of health providers. There is growing concern about the ability of public hospitals, clinics, and other federally supported providers to continue to serve uninsured and other vulnerable populations in the increasingly competitive and cost-conscious health care environment. In addition, it is not clear how well federal programs intended to improve access are achieving their goals. The Congress, therefore, will need information on whether these programs are fulfilling their missions and on how changes in the financing and delivery of health care affect vulnerable populations’ access to care.
Emerging technologies in health care: How will advancements in research, technology, and information systems affect the public’s health and patients’ rights?	The development of new knowledge and medical technology in areas such as human genetics, drug testing, computerized patient records, and transplantation raises many ethical and legal issues. The 1996 Health Insurance Portability and Accountability Act, for example, requires the development of an extensive health information network that will make information more readily accessible but less private. Conflicts also arise in considering how to make available the benefits of new technologies, such as organ transplantation or new AIDS drugs, when costs are high and supplies are limited. Providing the Congress with information on how advancements in science and technology are used and accepted, while also evaluating the trade-offs involved, will help inform congressional deliberations.

Table I: Key Issues

Objectives	Focus of work
<ul style="list-style-type: none">—Assess the implications for public health of shifting roles and responsibilities among federal, state, and local governments and the private sector.—Examine various approaches for ensuring the public's health and safety, the cost of those approaches, and the levels of protection they afford.—Assess the capacity of public health agencies and programs to meet public health needs.—Assess federal oversight activities to ensure accountability and the effective use of federal public health dollars.	<ul style="list-style-type: none">—Reauthorization of public health agencies.—Agency development of performance measures and progress toward goals in public health programs.—Public health agencies' research and services related to the health of at-risk youth.—Appropriateness, effectiveness, and efficiency of FDA's regulation of drugs, devices, and biologics.—Effectiveness and cost of federal transplantation programs.—Condition of the public health infrastructure at the state and local levels.—Substance abuse prevention and treatment.
<ul style="list-style-type: none">—Evaluate the validity, reliability, and utility of information on quality.—Evaluate HCFA's efforts to maintain and improve quality of care in the Medicare and Medicaid programs.—Examine the implications for quality of how health care is financed and structured.—Identify opportunities for improving quality while reducing health care costs of federal programs.—Evaluate private sector efforts to improve quality and reduce costs that could serve as models for federal programs.	<ul style="list-style-type: none">—Managed care organizations' monitoring of quality of care.—Oversight of quality of care in government-financed health programs.—Use of information on quality by consumers, payers, and providers.—Comparisons of process and outcome for patients treated under different financing arrangements.—Opportunities for savings by identifying ineffective treatments and procedures in the Medicare and Medicaid programs.—Federal efforts to improve physician practices.
<ul style="list-style-type: none">—Improve understanding of the barriers people face in obtaining health care.—Evaluate the adequacy of the mix and distribution of health care providers.—Assess the health and cost consequences of inadequate access to care.—Identify trends in access to specific services under managed care and fee-for-service payment arrangements.	<ul style="list-style-type: none">—Access to care by uninsured and medically underserved populations.—Access to preventive services.—Managed care organizations' provision of services for the chronically ill.—Federal and state policies shaping the supply and mix of health providers.—Access to mental health and substance abuse services.
<ul style="list-style-type: none">—Examine public and private mechanisms for evaluating medical interventions.—Assess the implications of the increased availability of health-related information on individuals.—Review compliance with current federal policies regarding the conduct of biomedical and behavioral research.	<ul style="list-style-type: none">—The movement of therapies from "experimental" to conventional status.—Patient confidentiality and the trade-offs involved in using data for research and quality assurance.—The uses of biogenetic material and information.

Table II: Planned Major Work

Issue	Planned major job starts
Public health	<ul style="list-style-type: none"> —Examine the capacity of federal, state, and local government agencies to conduct public health surveillance activities. —Identify opportunities to increase the efficiency of the clinical phase of drug development. —Examine FDA's regulation of the advertising and promotion activities of pharmaceutical companies. —Evaluate the adequacy of surveillance and enforcement operations associated with importing human drugs from overseas. —Examine third-party review and approval of medical devices. —Evaluate how FDA has used the revenues obtained from prescription drug user fees. —Review FDA's oversight of human tissue banking. —Evaluate the appropriateness of federal reimbursement of organ acquisition charges. —Assess the effectiveness of federal programs in increasing organ donations. —Evaluate the effectiveness of adult and youth drug treatment programs. —Examine the capability of public health agencies to deter drug epidemics. —Identify strategies states are using to prevent teen pregnancies and out-of-wedlock births in light of welfare reform incentives.
Quality of care	<ul style="list-style-type: none"> —Examine validity and reliability of commonly used performance measurement systems. —Compare treatments and outcomes of heart attack patients under Medicare managed care and fee-for-service plans. —Identify cost savings available through elimination of unnecessary treatments and tests in the Medicare fee-for-service program. —Examine impact of restrictive formularies and "drug switching" programs on quality of care for Medicare and Medicaid beneficiaries enrolled in risk HMOs. —Examine the nature and extent of problems related to consumer protection and quality of care in assisted living facilities. —Examine the quality of care available to end-stage renal disease patients in Medicare HMOs. —Examine the effectiveness of HCFA's approach for improving quality through Peer Review Organizations. —Examine implementation of the Nursing Home Quality Standards Act. —Examine quality assurance and improvement systems that managed care organizations have in place to ensure that enrollees obtain necessary and appropriate care.
Access to care	<ul style="list-style-type: none"> —Examine the health and cost consequences for children lacking insurance coverage. —Examine the impact of federal financing of graduate medical education on the mix and distribution of health providers in medically underserved communities. —Assess differences in access to specialized hospital services for Medicare beneficiaries enrolled in fee-for-service and HMOs. —Examine the implications of Medicaid's transition to managed care on the care available to the uninsured. —Assess how Medicaid managed care affects the quality of and access to mental health services. —Examine implications of not-for-profit hospital conversions on availability of care for the uninsured and other vulnerable populations.
Emerging technologies in health care	<ul style="list-style-type: none"> —Determine how payers decide when to reimburse for an "experimental" therapy. —Evaluate HHS' implementation of the data confidentiality and access provisions of the Health Insurance Portability and Accountability Act. —Determine the prevalence of genetic testing as a condition of employment or acquiring health insurance.

Table III: GAO Contacts

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