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MEDICARE PRESCRIPTION DRUG, IMPROVEMENT, AND MODERNIZATION ACT OF 2003

Public Law 108-173 108th Congress

SEC. 1013. <> RESEARCH ON OUTCOMES OF HEALTH CARE ITEMS AND SERVICES.

- (a) Research, Demonstrations, and Evaluations. --
 - (1) Improvement of effectiveness and efficiency. --
 - (A) In general.--To improve the quality, effectiveness, and efficiency of health care delivered pursuant to the programs established under titles XVIII, XIX, and XXI of the Social Security Act, the Secretary acting through the Director of the Agency for Healthcare Research and Quality (in this section referred to as the `Director''), shall conduct and support research to meet the priorities and requests for scientific evidence and information identified by such programs with respect to--
 - (i) the outcomes, comparative clinical effectiveness, and appropriateness of health care items and services (including prescription drugs); and
 - (ii) strategies for improving the efficiency and effectiveness of such programs, including the ways in which such items and services are organized, managed, and delivered under such programs.
 - (B) Specification.--To respond to priorities and information requests in subparagraph (A), the Secretary may conduct or support, by grant, contract, or interagency agreement, research, demonstrations, evaluations, technology assessments, or other activities, including the provision of technical assistance, scientific expertise, or methodological assistance.
 - (2) Priorities. --
 - (A) In general.--The Secretary shall establish a process to develop priorities that will guide the research, demonstrations, and evaluation activities undertaken pursuant to this section.
 - (B) Initial list. -- Not later than 6 months after the

date of the enactment of this Act, the Secretary shall establish an initial list of priorities for research related to health care items and services (including prescription drugs).

- (C) Process.--In carrying out subparagraph (A), the Secretary--
 - (i) shall ensure that there is broad and ongoing consultation with relevant stakeholders in identifying the highest priorities for research, demonstrations, and evaluations to support and improve the programs established under titles XVIII, XIX, and XXI of the Social Security Act;
 - (ii) may include health care items and services which impose a high cost on such programs, as well as those which may be underutilized or overutilized and which may significantly improve the prevention, treatment, or cure of diseases and conditions (including chronic conditions) which impose high direct or indirect costs on patients or society; and
 - (iii) shall ensure that the research and activities undertaken pursuant to this section are responsive to the specified priorities and are conducted in a timely manner.
- (3) Evaluation and synthesis of scientific evidence. --
 - (A) In general. -- The Secretary shall --
 - (i) evaluate and synthesize available scientific evidence related to health care items and services (including prescription drugs) identified as priorities in accordance with paragraph (2) with respect to the comparative clinical effectiveness, outcomes, appropriateness, and provision of such items and services (including prescription drugs);
 - (ii) identify issues for which existing
 scientific evidence is insufficient with respect
 to such health care items and services (including
 prescription drugs);
 - (iii) disseminate to prescription drug plans and MA-PD plans under part D of title XVIII of the Social Security Act, other health plans, and the public the findings made under clauses (i) and (ii); and

- (iv) work in voluntary collaboration with public and private sector entities to facilitate the development of new scientific knowledge regarding health care items and services (including prescription drugs).
- (B) Initial research.--The Secretary shall complete the evaluation and synthesis of the initial research required by the priority list developed under paragraph (2)(B) not later than 18 months after the development of such list.

(C) Dissemination. --

- (i) In general.--To enhance patient safety and the quality of health care, the Secretary shall make available and disseminate in appropriate formats to prescription drugs plans under part D, and MA-PD plans under part C, of title XVIII of the Social Security Act, other health plans, and the public the evaluations and syntheses prepared pursuant to subparagraph (A) and the findings of research conducted pursuant to paragraph (1). In carrying out this clause the Secretary, in order to facilitate the availability of such evaluations and syntheses or findings at every decision point in the health care system, shall--
 - (I) present such evaluations and syntheses or findings in a form that is easily understood by the individuals receiving health care items and services (including prescription drugs) under such plans and periodically assess that the requirements of this subclause have been met; and
 - (II) provide such evaluations and syntheses or findings and other relevant information through easily accessible and searchable electronic mechanisms, and in hard copy formats as appropriate.
- (ii) Rule of construction. -- Nothing in this section shall be construed as--
 - (I) affecting the authority of the Secretary or the Commissioner of Food and Drugs under the Federal Food, Drug, and Cosmetic Act or the Public Health Service Act; or

- (II) conferring any authority referred to in subclause (I) to the Director.
- (D) Accountability.--In carrying out this paragraph, the Secretary shall implement activities in a manner that--
 - (i) makes publicly available all scientific evidence relied upon and the methodologies employed, provided such evidence and method are not protected from public disclosure by section 1905 of title 18, United States Code, or other applicable law so that the results of the research, analyses, or syntheses can be evaluated or replicated; and
 - (ii) ensures that any information needs and unresolved issues identified in subparagraph(A)(ii) are taken into account in priority-setting for future research conducted by the Secretary.

(4) Confidentiality. --

- (A) In general.--In making use of administrative, clinical, and program data and information developed or collected with respect to the programs established under titles XVIII, XIX, and XXI of the Social Security Act, for purposes of carrying out the requirements of this section or the activities authorized under title IX of the Public Health Service Act (42 U.S.C. 299 et seq.), such data and information shall be protected in accordance with the confidentiality requirements of title IX of the Public Health Service Act.
- (B) Rule of construction.--Nothing in this section shall be construed to require or permit the disclosure of data provided to the Secretary that is otherwise protected from disclosure under the Federal Food, Drug, and Cosmetic Act, section 1905 of title 18, United States Code, or other applicable law.
- (5) Evaluations.--The Secretary shall conduct and support evaluations of the activities carried out under this section to determine the extent to which such activities have had an effect on outcomes and utilization of health care items and services.
- (6) Improving information available to health care providers, patients, and policymakers.--Not later than 18 months after the date of enactment of this Act, the Secretary shall identify options that could be undertaken in voluntary collaboration with private and public entities (as appropriate)

for the --

- (A) provision of more timely information through the programs established under titles XVIII, XIX, and XXI of the Social Security Act, regarding the outcomes and quality of patient care, including clinical and patient-reported outcomes, especially with respect to interventions and conditions for which clinical trials would not be feasible or raise ethical concerns that are difficult to address;
- (B) acceleration of the adoption of innovation and quality improvement under such programs; and
- (C) development of management tools for the programs established under titles XIX and XXI of the Social Security Act, and with respect to the programs established under such titles, assess the feasibility of using administrative or claims data, to--
 - (i) improve oversight by State officials;
 - (ii) support Federal and State initiatives to improve the quality, safety, and efficiency of services provided under such programs; and
 - (iii) provide a basis for estimating the fiscal and coverage impact of Federal or State program and policy changes.

(b) Recommendations. --

- (1) Disclaimer.--In carrying out this section, the Director shall--
 - (A) not mandate national standards of clinical practice or quality health care standards; and
 - (B) include in any recommendations resulting from projects funded and published by the Director, a corresponding reference to the prohibition described in subparagraph (A).
- (2) Requirement for implementation.--Research, evaluation, and communication activities performed pursuant to this section shall reflect the principle that clinicians and patients should have the best available evidence upon which to make choices in health care items and services, in providers, and in health care delivery systems, recognizing that patient subpopulations and patient and physician preferences may vary.
- (3) Rule of construction.--Nothing in this section shall be construed to provide the Director with authority to mandate a national standard or require a specific approach to quality measurement and reporting.

- (c) Research With Respect to Dissemination.--The Secretary, acting through the Director, may conduct or support research with respect to improving methods of disseminating information in accordance with subsection (a)(3)(C).
- (d) Limitation on CMS.--The Administrator of the Centers for Medicare & Medicaid Services may not use data obtained in accordance with this section to withhold coverage of a prescription drug.
- (e) Authorization of Appropriations.--There is authorized to be appropriated to carry out this section, \$50,000,000 for fiscal year 2004, and such sums as may be necessary for each fiscal year thereafter.