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**CONRAD/BAUCUS WELCOME CBO REPORT ON
COMPARATIVE EFFECTIVENESS RESEARCH
New Initiative Could Help Improve Health Outcomes and Control Costs**

Washington, DC - The Congressional Budget Office (CBO) today released a report highlighting the potential for comparative effectiveness research to improve health care outcomes and control health care costs. The report, which was conducted at the request of Senate Budget Committee Chairman Kent Conrad (D-ND) and Senate Finance Committee Chairman Max Baucus (D-MT), outlines options for and implications of designing a new private and/or public sector initiative on comparative effectiveness research. According to the report, incentive structures based on evidence from comparative effectiveness studies could lead to cost savings in the nation's overall health care system.

"CBO's report confirms that enhanced comparative effectiveness research can be an important tool in controlling health care costs," said Chairman Conrad. "While the coming demographic tidal wave created by the baby boom generation gets the most attention, rising health care costs are an even bigger threat. We must get more value and efficiency out of the health care dollars we are spending. Increased comparative effectiveness research should be part of the solution."

"Americans deserve the highest quality health care available, and an efficient system to deliver it. The rising cost of health care is one of the biggest threats to America's long-term economic stability, so we need to put strategies in place now that will stem skyrocketing spending down the road," said Chairman Baucus. "Comparative effectiveness research will inject common sense into our health care system, by improving outcomes for patients and by helping us direct attention and resources to medicines and treatments that work. When the Finance Committee holds its series of hearings on comprehensive health reform next year, ideas like incorporating comparative effectiveness research into the health system will be front and center."

Comparative effectiveness research entails evaluations of the clinical effectiveness, risks, and benefits of medical technologies, devices, procedures, and pharmaceuticals. Disseminating the evidence from this type of research to patients, doctors, and other health care providers could lead to better decision-making and possibly lower spending over the long-term by allowing providers and patients to avoid treatments that may be less effective than other treatment options, while at the same time improving health care outcomes. Better clinical evidence could help reduce the rate of

growth in private and public health care spending.

The fiscal year 2008 budget resolution adopted by Congress this year included a reserve fund to jumpstart a national comparative effectiveness research initiative.

Senators Conrad and Baucus plan to introduce legislation to create such an initiative early next year. CBO's report on comparative effectiveness research can be viewed on the CBO website at: <http://www.cbo.gov/>.

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