



**The Society for Medical Decision Making
urges Congress to include 7 key elements in
comparative effectiveness legislation**

Each year Americans spend more than \$2 trillion dollars on health care. Some of this buys services of extraordinary value, but much is spent on services of limited or unknown value. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 included language supporting research on “outcomes, comparative clinical effectiveness, and appropriateness of health care.” New legislation to expand federal efforts to study comparative effectiveness is currently under consideration.

The Society for Medical Decision Making (SMDM) strongly supports such legislation.¹ SMDM is a professional organization established in 1979 to improve health outcomes through the advancement of proactive systematic approaches to clinical and policy decision making in health care by providing a scholarly forum for researchers, providers, policy-makers, and the public. We believe any expansion of the federal role in studying comparative effectiveness of medical treatments should include an organization with 7 key elements:

- 1. A Defined Mission:** The organization should not make policy, but should provide unbiased information about comparative effectiveness and efficiency to public and private policymakers. It should focus on healthcare services that are in common practice, generate high costs per patient treated or large expenditures in aggregate, employ rapidly changing technologies for which multiple alternative therapies exist for the same problem, or are in clinical, preventive or treatment areas with substantial uncertainty. The organization should interpret the results of studies, and on the basis of need or those interpretations, make recommendations or commission further studies.
- 2. Independence and Accountability in Pursuit of its Mission:** The organization should be accountable to the public yet structured to ensure independence in carrying out its mission. For example, its leadership should be appointed to fixed, staggered terms subject to removal for cause. It should also work in collaboration with federal agencies of interest.
- 3. Independent and Secure Funding:** The organization should have independent and secure funding, not subject to annual appropriations. Funding for this organization should come from dedicated sources, ensuring that the organization serves the public interest, taking a long-term and impartial perspective.
- 4. Technical Expertise:** The organization should have a technical advisory board, selected by the director subject to confirmation by the Board, of professionals expert in the methods necessary for evaluations the organization must carry out.
- 5. Stakeholder Input:** The organization should have a stakeholder advisory board, selected by the director and subject to confirmation by the Board, that includes payers, providers, patients, employers, and drug or device manufacturers, which should have input throughout the evaluation process. Additionally, the organization should regularly brief key government stakeholders to ensure relevance, timeliness, and widespread dissemination of evaluations.
- 6. Priority Setting:** The organization should have a formal priority-setting process informed by stakeholder input. This process should ensure relevance so the organization’s evaluations will have the greatest impact on the quality and efficiency of care.
- 7. Transparency:** The organization’s methods and evaluation criteria should be developed and described publicly. Evaluation results should be published and disseminated widely in a standard and straightforward form after a predefined formal review process.

¹*Disclosure of potential conflict of interest: SMDM's members include many of the nation's experts in outcomes and cost-effectiveness research. We acknowledge that increased federal funding for effectiveness research could be in the professional and financial interest of our members.*