
Panel on the Effect of Downsizing on Federal Statistics

Jennifer H. Madans, National Center for Health Statistics

Recent pressures to downsize Federal agencies must be seen within the context of National Center for Health Statistics (NCHS) recent budgetary history. Over the past decade, NCHS has experienced no real growth in funding and, in some years, there have been real cuts. The response to flat funding coupled with increasing demands for expanded and more timely data collection has been to preserve, as much as possible, our major data collection systems and to make cuts in collateral activities. We have been forced to limit not only routine maintenance of our data system but also essential research and development activities that would allow us to plan for data systems of the future. Work on special projects and on our analytic programs was also curtailed. More emphasis was put on obtaining outside funding for activities that, in the past, have been considered part of NCHS's core programs. This strategy was implemented with the goal of preserving NCHS's basic capability to operate the major data collection systems needed to monitor the health of the American people.

While this approach can work in the short run, it has major implications for the quality of future data collection. Just as neglect of basic maintenance and rebuilding plans can force the collapse of aging transportation systems, the nation's statistical infrastructure can also collapse if sufficient resources are not available.

Curiously, there has been an explosion in the demand for data at the same time that funding for data collection has been stagnant or declining. The need for increasing timely data that address complex trends and relationships continues to grow. This has led the Department of Health and Human Services (DHHS) to reinvent its data collection systems. There has been a re-examination of DHHS's data collection strategies with the aim of taking advantage of collaboration within the Department, as well as with other producers and users. The challenge has been to maintain current systems while the transformation takes place. This generally requires additional funding rather than diminishing budgets, but the reinvention has proceeded without associated bud-

get increases.

DHHS's Survey Integration Plan replaces a set of independent surveys developed to meet individual agency goals with a broader framework in which cross-agency teams are redesigning surveys to meet common goals. This plan offers the promise of long overdue improvements in the quality, timeliness, and completeness of statistics on health. Implementation of this plan will also make an interesting case study in organizational change and reinvention.

The goals of the integration plan can be summarized as follows:

- Creating a more rational, systematic strategy for collection of data on key health issues facing DHHS.
- Filling a critical gap by the production of annual estimates of health care expenditures, insurance coverage, and employer-related insurance costs.
- Continuing to meet public health data needs already met through ongoing population and provider-based surveys, but within a framework that also allows for expansion to meet unmet public health data needs.
- Enhancing the analytic capabilities of DHHS surveys, allowing multiple DHHS data collection efforts to be linked analytically through the use of common core questionnaires, common sampling frames, and common definitions and terms.
- Reducing the overall burden imposed on survey respondents by DHHS, below what would have been required in independent surveys to meet the same data needs.
- Providing efficiencies in sampling, data collection, questionnaire design, and survey operations, allow-

ing more of DHHS's resources to be focused on meeting high-priority data needs.

The DHHS plan creates a framework in which nearly all of the major surveys of DHHS will be significantly restructured and redesigned. Major features of the plan include:

- ❑ Redesigning and automating the National Health Interview Survey (NHIS) to serve as the sampling "nucleus" for many DHHS population surveys. The NHIS provides annual data on health status, access to care, health behaviors, and other topics with sufficient size and scope to cover many subpopulation groups. As a large-scale population survey with a broad focus, the NHIS will be used as the "sampling frame" for other population surveys, replacing costly independent screening interviews.
- ❑ Implementing an ongoing, longitudinal panel survey on insurance and expenditures--the National Medical Expenditures Panel Survey (MEPS)--which will replace the periodic National Medical Expenditures Survey.
- ❑ Redesigning the National Health and Nutrition Examination Survey (NHANES) as a continuous survey, with sample links to the NHIS.
- ❑ Consolidating DHHS's surveys of employers so that the National Employer Health Insurance Survey and the insurance followup component of the expenditure survey (MEPS) are jointly fielded.
- ❑ Developing frameworks for obtaining State-level estimates for key variables, benchmarked to ongoing national surveys. Approaches may include the development of the capacity to "buy into" national surveys to obtain State data, as well as centrally administered integrated telephone surveys that can efficiently provide key variables at the State level.
- ❑ Implementing joint field operations and common core questionnaires for DHHS's major surveys of health care providers.
- ❑ Developing a new approach to characterizing the supply side of health care--provider organization, capacity, and affiliation--and rationalizing and coordinating DHHS's provider inventories, health workforce analyses, and infrastructure surveys.

In addition, DHHS has taken several steps to establish structures through which decisions could be made. These steps included:

- ❑ Establishing a senior-level Data Council, with overall responsibility for addressing data issues across the Department.
- ❑ Improving the ability of the National Committee on Vital and Health Statistics--the Secretary's principal advisory bodies on health information--to create opportunities for consensus and public/private partnerships on standards and policies.
- ❑ Addressing ongoing organizational issues, including the status of NCHS within the Department. The Secretary has established the Director of NCHS as a member of the new Data Council and designated a dual role--that of Senior Advisor to the Secretary on Health Statistics--to increase NCHS's role in data policy.

Once fully implemented, researchers will have access to detailed, continuous data on health status, medical expenditures, employer-provided health insurance, and characteristics of the health care system. With greater comparability and linkages between data sets, the analytic potential of individual data sets should be greatly improved.

There are some hazards associated with instituting major changes in data collection systems during a period of downsizing. There is the risk that the new systems will not have undergone extensive testing before implementation. It is possible that there will be an increase in errors, both known and hidden, in final statistics. Ongoing evaluation mechanisms with real-time modifications of systems are needed to insure the integrity of the data systems.

In order to downsize statistical systems while up-

grading the ability of the systems to produce data requires that the systems increase efficiency by reducing redundancies. However, this removes some of the flexibility of the system. Different data collection mechanisms vary in the ease with which they can be modified to respond to emerging data needs. Moreover, the ability to confirm findings is lost. Consistency across systems lends credence to the finding of any one system. Some redundancy is necessary and should not be viewed as a luxury.

Many of the opportunities for improving data collection at NCHS are a result of changing technologies. The growth of computer-assisted data collection systems and telephone survey mechanisms are just two examples of major advances that will change the nature of statistical systems. A more rational approach to data collection coupled with these new technologies will allow statistical agencies to continue to collect timely, accurate, and relevant data within a downsized Federal government.