

# The Agency for Healthcare Research and Quality (AHRQ) Budget: Fact Sheet

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The Agency for Healthcare Research and Quality (AHRQ), within the Department of Health and Human Services (HHS), is the federal agency charged with supporting research designed to improve the quality of health care, increase the efficiency of its delivery, and broaden access to health services. In addition, AHRQ is required to disseminate its research findings to health care providers, payers, and consumers, among others. The agency collects data on health care expenditures and utilization through the Medical Expenditure Panel Survey (MEPS) and the Healthcare Cost and Utilization Project (HCUP).<sup>1</sup>

This CRS report provides an overview of AHRQ’s budget and funding, with a focus on funding sources and recent year funding. The AHRQ budget has traditionally been organized into three areas: Health Costs, Quality, and Outcomes (HCQO) Research; MEPS; and Program Support. In FY2025, HCQO includes four categories: (1) Digital Healthcare Research; (2) Patient Safety; (3) Health Services Research, Data and Dissemination; and (4) U.S. Preventive Services Task Force (USPSTF).<sup>2</sup>

Over the period FY2011-FY2015, AHRQ’s funding level increased, with any decreases in discretionary funding offset by transfers of mandatory funds pursuant to the Patient Protection and Affordable Care Act of 2010 (ACA, P.L. 111-148, as amended). In FY2016, the total funding level for the agency decreased from its prior-year level for the first time since FY2011, and has fluctuated since that time. ACA mandatory funds represent a growing source of funding for the agency since FY2010, although discretionary funding continues to be the major source of support for the agency by a significant margin. AHRQ’s authorization of appropriations expired in FY2005;<sup>3</sup> however, the agency has continued to receive annual funding through annual appropriations acts since that time.

## Funding Sources

AHRQ’s budget currently comprises both discretionary and mandatory funds, although that has not always been the case. Between FY2003 and FY2008, agency funding came mostly, if not entirely, from transfers of discretionary funds based on the Public Health Service (PHS) Evaluation Set-Aside authority.<sup>4</sup> From FY2010 to FY2024, agency funding has included *mandatory funds*, as the agency began receiving transfers from specified ACA trust funds. Also, in FY2015 *discretionary funding* for the agency shifted from PHS Evaluation Set-Aside funds to the agency’s own discretionary appropriation, and this has continued for all fiscal years since.

Between FY2003 and FY2014, AHRQ did not receive its own annual discretionary appropriation.<sup>5</sup> Instead, the majority of funding during this period consisted of transfers of discretionary funds based on the PHS Evaluation Set-Aside authority. This set-aside (sometimes called the PHS evaluation “tap”) is authorized in Public Health Service Act (PHSA) Section 241<sup>6</sup> and allows the HHS Secretary, with the approval of congressional appropriators, to redistribute a

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<sup>1</sup> For more information about AHRQ, see <http://www.ahrq.gov>.

<sup>2</sup> For several years, HCQO included a patient-centered health research (comparative effectiveness research) area, and this was removed in the FY2016 congressional budget justification and President’s budget request, and continued to be excluded in budget documents since (and including) FY2017. In addition, HCQO had previously included a “value” category, which was removed in the FY2017 President’s budget request and congressional budget justification.

<sup>3</sup> PHSA §947(b); 42 U.S.C. §299c-6(b).

<sup>4</sup> For more information about the PHS Evaluation Set-Aside, see CRS Report R47936, *Labor, Health and Human Services, and Education: FY2024 Appropriations*.

<sup>5</sup> Although AHRQ did not receive a discretionary appropriation in the FY2009 Omnibus Appropriations Act (P.L. 111-8), the agency did receive \$700 million in a one-time supplemental discretionary appropriation from the American Recovery and Reinvestment Act of 2009 (P.L. 111-5).

<sup>6</sup> 42 U.S.C. §238j (Evaluation of Programs).

portion of eligible PHS agency appropriations across the department to evaluate the implementation and effectiveness of HHS programs. In some years, appropriations laws directed specific transfers under the PHS Evaluation Set-Aside authority to AHRQ. Although the PHS Evaluation Set-Aside historically was the agency's primary source of funding, in FY2015 AHRQ received its own annual discretionary appropriation for the first time in a decade. Since that time, the agency has received its own annual discretionary appropriation but no transfer from the PHS Evaluation Set-Aside.

With passage of the ACA, AHRQ began receiving transfers from two new mandatory funding streams: (1) the Prevention and Public Health Fund (PPHF), which is designed to support prevention, wellness, and public health activities,<sup>7</sup> and (2) the Patient-Centered Outcomes Research Trust Fund (PCORTF), which is designed to support comparative clinical effectiveness research.<sup>8</sup> AHRQ received a share of total PPHF transfers in each of FY2010-FY2014, but received no PPHF transfer in any fiscal year thereafter. The ACA directly appropriated annual funding to PCORTF from FY2011 through FY2019 and required the HHS Secretary to transfer a share of PCORTF funds to AHRQ each year. In 2019, funding for PCORTF was extended for an additional 10 years, through FY2029 (§104, Division N, P.L. 116-94). Funds transferred to AHRQ from PCORTF are designated by the ACA to carry out PHSA Section 937, to disseminate the results of patient-centered outcomes research supported by the Patient Centered Outcomes Research Institute (PCORI) and other "government-funded research relevant to comparative clinical effectiveness research."<sup>9</sup> AHRQ has received PCORTF transfers in each of FY2011-FY2024 and, under current law, is scheduled to continue to do so through FY2029.

## Funding History

**Figure 1** displays the funding sources for the agency's budget from FY2010 (the first year ACA funds were available) through FY2024. During this time, the agency's budget has increased by \$84 million, as transfers (mostly from PCORTF) have more than offset an overall decrease in discretionary funds in the same period. Funding slightly decreased from FY2010 to FY2011, and then increased each year until FY2015. Funding for the agency decreased in FY2016, by \$14 million, for the first time since FY2011, despite an increasing transfer from PCORTF. Funding for the agency has fluctuated since FY2016, and most recently increased by nearly \$3 million, or about 0.5%, from FY2023 to FY2024.<sup>10</sup>

The figure also shows that the majority of agency funding from FY2010 through FY2014 came from PHS Evaluation Set-Aside dollars, which accounted for more than 80% of agency funding, while from FY2015 onward, discretionary appropriations made up more than 70% of agency funding. Funding from PCORTF has grown considerably since the first transfer to the agency, from \$8 million in FY2011 to \$118 million in FY2024, increasing from 2% of the agency's budget in FY2011 to more than 24% in FY2024. Furthermore, the figure shows that in recent years (since FY2021), the absolute amounts of discretionary and mandatory funding have generally increased compared to prior years.

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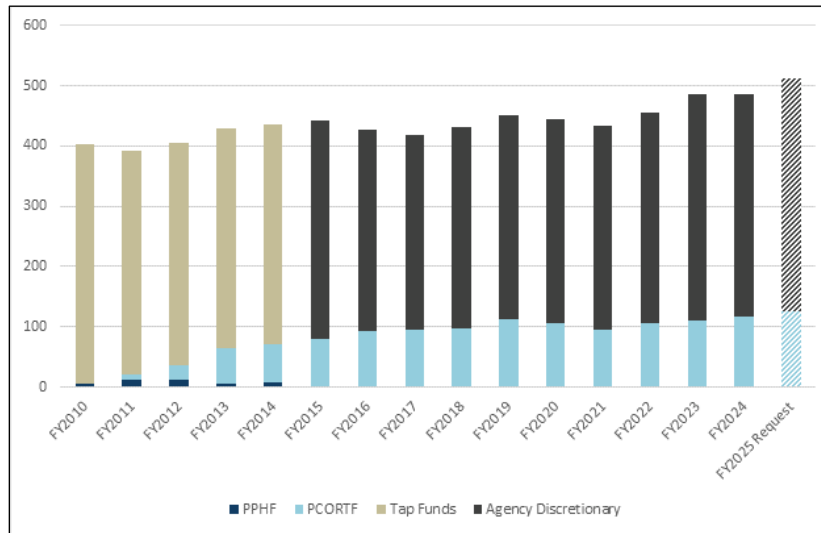
<sup>7</sup> For more information about PPHF, see CRS Report R47895, *Prevention and Public Health Fund: In Brief*.

<sup>8</sup> For more information about PCORTF, see CRS Insight IN11010, *Funding for ACA-Established Patient-Centered Outcomes Research Trust Fund (PCORTF) Extended Through FY2029*.

<sup>9</sup> 42 U.S.C. §299b-37 (Dissemination and building capacity for research).

<sup>10</sup> The total program level in FY2023 was \$484.5 million FY2023, which is rounded up to the nearest million (\$485 million) in **Table 1**. This increased by \$2.5 million to \$487 million in FY2024.

**Figure 1. AHRQ Budget, by Source, FY2010-FY2025 Request**  
(Dollars in Millions)

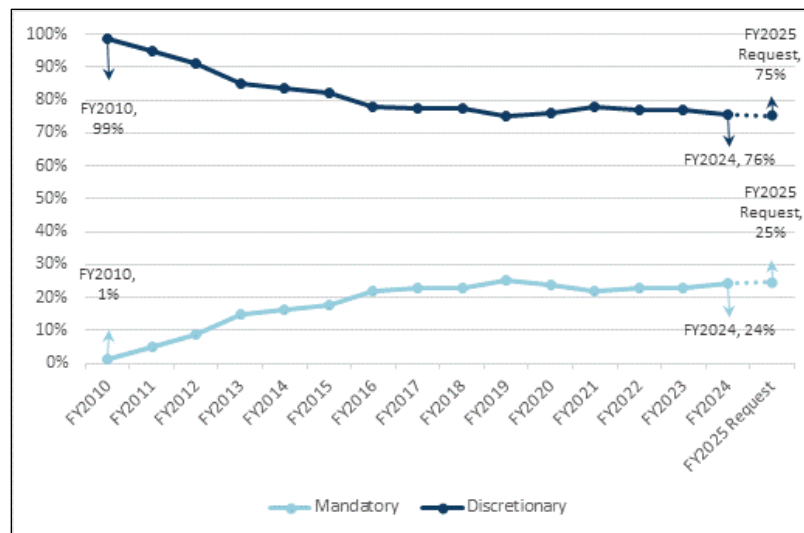


**Source:** AHRQ congressional budget justifications, FY2010-FY2025. All documents are available at <https://www.ahrq.gov/cpi/about/mission/index.html>; Further Consolidated Appropriations Act, 2024, *Congressional Record*, daily edition, vol. 170 (March 22, 2024), Book I, p. H1423 and Book II, p. H1892.

**Notes:** PPHF: Prevention and Public Health Fund; PCORTF: Patient-Centered Outcomes Research Trust Fund; Tap Funds: PHS Program Evaluation Set-Aside dollars; Agency Discretionary: annual discretionary appropriation.

**Figure 2** shows the increasing share of agency funding drawn from mandatory streams since FY2010, when mandatory funding accounted for about 1% of funding, while the remaining 99% drew from PHS Evaluation Tap funds, a discretionary source. In FY2024, 24% of agency funding was from PCORTF, a mandatory stream, while 76% was discretionary.

**Figure 2. Share of AHRQ Budget from Discretionary and Mandatory Sources, FY2010-FY2025 Request**



**Source:** AHRQ congressional budget justifications, FY2010-FY2025. All documents are available at <https://www.ahrq.gov/cpi/about/mission/index.html>; Further Consolidated Appropriations Act, 2024, *Congressional Record*, daily edition, vol. 170 (March 22, 2024), p. H1423.

**Notes:** Mandatory includes transfers from PPHF and PCORTF. Discretionary includes PHS Evaluation Tap funds and annual discretionary appropriation.

## Recent Year Funding: FY2020 to FY2025 Request

**Table 1** provides information on the past five years of the agency’s budget, as well as the FY2025 President’s budget request. The FY2025 President’s budget requests an increase of \$26 million (5%) for AHRQ.

**Table 1. AHRQ’s Budget, FY2020-FY2025 Request**

Dollars in Millions, by Fiscal Year

Program or Activity	2020 Final	2021 Final	2022 Final	2023 Final	2024 Enacted	2025 Req.
<b>Health Costs, Quality, and Outcomes (HCQO) Research</b>	<b>196</b>	<b>195</b>	<b>206</b>	<b>229</b>	<b>224</b>	<b>235</b>
Digital Healthcare Research <sup>a</sup>	17	16	16	16	16	16
Patient Safety	72	72	80	90	89	90
Health Services Research, Data, and Dissemination	96	95	98	111	107	111
U.S. Preventive Services Task Force (USPSTF)	12	12	12	12	12	18
<b>Medical Expenditure Panel Surveys (MEPS)</b>	<b>70</b>	<b>72</b>	<b>72</b>	<b>72</b>	<b>72</b>	<b>75</b>
<b>Program Support</b>	<b>71</b>	<b>71</b>	<b>73</b>	<b>73</b>	<b>73</b>	<b>78</b>
<b>Total, Program Level</b>	<b>444</b>	<b>434</b>	<b>456</b>	<b>485</b>	<b>487</b>	<b>513</b>
Less Funds from Other Sources						
PCORTF Transfers	106	96	105	111	118	126
<b>Total, Discretionary Appropriation</b>	<b>338</b>	<b>338</b>	<b>350</b>	<b>374</b>	<b>369</b>	<b>387</b>

**Source:** AHRQ Budget Justifications for FY2021-FY2025. All documents are available at <https://www.ahrq.gov/cpi/about/mission/index.html>; Further Consolidated Appropriations Act, 2024, *Congressional Record*, daily edition, vol. 170 (March 22, 2024), p. H1423 and Book II, p. H1892; CRS correspondence with AHRQ, May 1, 2024.

**Notes:** PCORTF: Patient-Centered Outcomes Research Trust Fund; PPHF: Prevention and Public Health Fund; PHS: Public Health Service. Individual amounts may not add to subtotals or totals due to rounding.

a. This category was formerly called Health Information Technology Research.

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