

Healthcare Report Cards:

Hospitals, Health Plans and Consumers Grade the Effort

With more health plans, hospitals and providers publishing quality and performance ratings, the discriminating consumer can evaluate a doctor or care center the same way they comparison-shop for cars and electronics. While the reporting of healthcare quality data is mostly voluntary for now, health plans, employers, consumers and even the federal government are leaning on healthcare providers to document the quality of the care they provide. The emerging trend among plans and payors, including the Centers for Medicare and Medicaid Services (CMS), is to align financial incentives with improved results. The hope is that this strategy will enhance healthcare quality without increasing costs. In its February 2006 online survey, the Healthcare Intelligence Network polled hospitals and health plans on their performance data publishing practices and asked consumers to rate industry efforts.

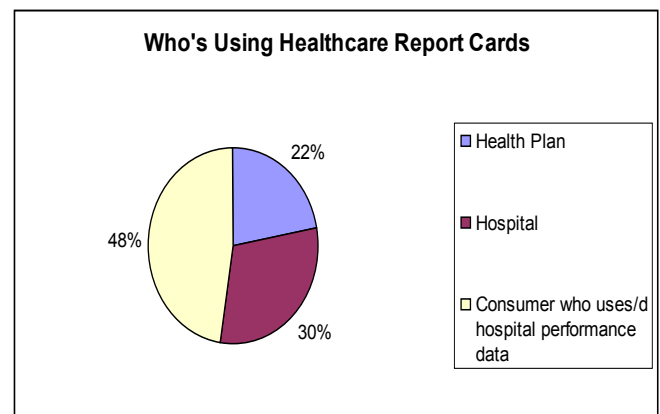


Hospital and Health Plan Progress Report: Only a Third Are Posting Performance Measures

Aware that millions of dollars in bonus incentives are riding on healthcare quality outcomes, the healthcare sector has formulated a swift response to the call for performance measure publication. While a unified strategy has yet to be developed, health plans and hospitals are tapping a range of resources for performance and comparative data they can share with their populations. The HIN survey found that consumers have warmed to the prospect of reviewing this data and are quick to suggest improvements to the process.

Feedback from health plans and hospitals comprised slightly more than half of the 295 responses (22.1 percent and 30.2 percent, respectively) to HIN's February 2006 online survey on healthcare report cards. Consumers comprised the remaining 48 percent of respondents. (See Figure 1.)

The table on page 2 sheds some light on the data publishing practices of hospitals and health plans who responded to the HIN survey. Among this population, hospitals appear to slightly edge out health plans in the reporting of performance data on their web sites, as well as the



Source: February 2006 HIN online survey, "Healthcare Report Cards"

Figure 1



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Healthcare Report Cards: How Health Plans and Hospitals Use Data to Improve Care and Lower Costs

Go to <http://store.hin.com/product.asp?itemid=3342> to order *Healthcare Report Cards: How Health Plans and Hospitals Use Data to Improve Care and Lower Costs* and view other useful resources for making a difference for you, your team and your organization.

distribution of this data via other channels. Thirty percent of respondents represented hospitals; just under a third of hospital respondents said they currently post performance measures on their web sites. Of the 35 hospital representatives not yet posting this data, slightly more than a quarter—26.3 percent—plan to do so later in 2006. In contrast, of the 63 health plans that responded—just over 22 percent of total responses—slightly more than 30 percent currently post this data on their sites, with almost half of remaining health plan respondents planning to do so in the months ahead.

The Performance Data They're Posting

Clinical performance data was the most common measure published by hospitals and health plans (82 percent and 77 percent, respectively), followed by patient satisfaction ratings—posted by about 50 percent of responding health plans and hospitals. However, the third most frequently posted measure by health plans was financial data (32 percent), while hospitals gave priority to financial and employee ratings (23 percent).

When it came to sharing comparative performance data, hospitals and health plans had different priorities. More than three-quarters of hospitals publish comparisons to the national average most frequently, followed by previous year's results (55.6 percent), top 10 percent of hospitals and Leapfrog standards (tied for third most frequent at nearly 30 percent), and other data (18.5 percent).

In contrast, health plan web sites most often contain comparisons to Leapfrog standards (52.2 percent), followed by comparisons to previous year's results and the national average (tied at 43.5 percent for each). Almost half of responding health plans also include other comparative data on their sites.

Healthcare Report Cards Today

Health plans and hospitals shared how they're using performance measures today:

	Hospitals	Health Plans
Currently posting data on web sites	32.7%	30.2%
Distributing data via other channels	55.3%	47.1%
<i>Performance Measures</i>		
Financial	22.7%	31.8%
Clinical	81.8	77.3
Employee	22.7	4.5
Patient Satisfaction	54.5	50.0
Other	18.2	18.2
<i>Comparative Information</i>		
Previous year's results	55.6%	43.5%
Top 10% of hospitals	29.6	17.4
Leapfrog standards	29.6	52.2
National average	77.8	43.5
Other	18.5	47.8

Source: February 2006 HIN online survey, "Healthcare Report Cards"

Some Plans, Providers Proceed with Caution

As shown in the table above, health plans and hospitals that post performance measures on their web sites are still in the minority. Respondents whose organizations have not yet taken this step cite several reasons for their hesitation. Some are in the midst of an

extended planning or pilot phase, with implementation a year or two away. For others, it is not yet a corporate priority. And still others don't expect to take this step until there is a legal mandate to do so. And finally, some organizations told HIN they have not yet developed a web site where this data can be posted.

Most Consumers Give Quality Data Passing Grade

Nearly 75 percent of consumers who responded to the HIN survey are using medical performance data to guide their healthcare choices. The survey found that the Internet is the gateway to performance measure data for many. A quarter of consumer respondents said they go directly to hospital web sites to access performance data, while another 25 percent rely on their health plan web site to publish this information. The remaining 50 percent of consumers look to report cards and other analysis from the American Hospital Association, the National Committee for Quality Assurance (NCQA), the Agency for Healthcare Research and Quality (AHRQ) and web sites such as *healthgrades.com*, a healthcare ratings association.

Almost 53 percent of consumers who graded the quality data they found on web sites say they are satisfied with the presentation of hospital performance measures. Just over 20 percent were very satisfied, and another two percent gave the performance measure presentation an A+, reporting that they were extremely satisfied with the quality data. There's still apparently room for improvement: nearly a quarter of consumers gave the material a not-very-satisfactory grade. Figure 2 breaks down consumer attitudes toward healthcare report cards.

While a clear majority of consumers are factoring this data into their healthcare decisions, few are relying on it completely. More than 70 percent said that the data is not the most important factor guiding their decision-making process.

Disclaimer: HIN survey results are not based on a scientific sampling but on the number of responses to the HIN monthly online survey at www.hin.com.

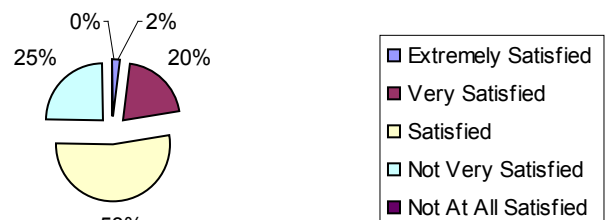
Roadblocks to Report Card Implementation

Health plans and hospitals alike noted similar challenges to publishing of performance data:

- ✓ Time
- ✓ Corporate leadership
- ✓ Accurate comparisons
- ✓ IT requirements
- ✓ Provider willingness to release data
- ✓ Pushback to keep data private
- ✓ Simplification and customer training
- ✓ Automation

Source: February 2006 HIN online survey, "Healthcare Report Cards"

How satisfied are consumers with the presentation of the information on the hospital performance measures?



Source: February 2006 HIN online survey, "Healthcare Report Cards"

Figure 2

“Hospital performance data would be more useful if it was real time and more specific about the condition that I was looking up. I work in the healthcare arena and know that the information that is publicly reported can be 2+ years old, which doesn’t give me much confidence. Also, the information is limited. I have only seen a few examples where the hospital puts information up on their own site and reports things real time. I wish the hospitals in this area did that.”

Consumer who works in healthcare responds to HIN February 2006 survey, “Healthcare Report Cards.”

Consumers suggested the following improvements to performance data provided by hospitals and health plans:

- ✓ Simplify the data presented;
- ✓ Create a public standard for data reporting;
- ✓ Make the data patient-centric rather than hospital-centric;
- ✓ Align data to consumer areas of interest, such as rate of discharge, rate of infection and staff-to-patient ratios
- ✓ Research and publish patient satisfaction metrics; and
- ✓ Refresh the data frequently.

Related Resource

Healthcare Report Cards: How Health Plans and Hospitals Use Data to Improve Care and Lower Costs contains a detailed look at the industry response to healthcare performance measures. You’ll get suggestions and commentary from hospitals and health plans on:

- ✓ The *other* performance and comparative measures they’re publishing;
- ✓ The impact that posting healthcare report cards has had on their organizations;
- ✓ Overcoming the obstacles to posting performance measures;
- ✓ Alternate channels of distribution for this data; and
- ✓ Lessons learned from early adopters.

As an added bonus, this report contains feedback from consumers on their experiences with healthcare report cards: how they’re using them and the improvements they recommend. For more information, please visit <http://store.hin.com/product.asp?itemid=3342>.

For further healthcare resources, please visit the HIN bookstore at <http://store.hin.com> or call toll-free 888-446-3530.

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