E-SURVEY OF THE MONTH

Healthcare Transparency: Cost and Quality Report Cards

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The demand is growing for health plans, hospitals and providers to collect and display their quality and performance ratings in response to a new, savvier generation of consumer. The concept of public disclosure of quality assessment information has become a highly reliable and valid tool for not only attracting the discerning consumer but also for sizing up the competition.

In a May 2007 online survey, the Healthcare Intelligence Network (HIN) polled health plans and hospitals on their quality performance data publishing efforts and asked consumers to discuss their usage of and satisfaction with such measures. In total, 264 people replied — 56.1 percent representing hospitals or health plans and 43.9 percent of which were consumers who had personally used healthcare cost or quality performance data.

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To rise to the demand from consumers for more information, the healthcare industry is rapidly responding with online measures of information dissemination.

(Editor's Note: HIN polled readers on the same topic in a February 2006 e-survey titled "Healthcare Report Cards." View the comparative data in the table on page 3.)

The Hospital Perspective
For the 51 percent of responding hospitals who currently post performance and/or cost measures on their Web sites, the most common information divulged is:

- ✓ Clinical measures (81.0 percent)
- ✓ Patient satisfaction measures (47.6 percent)
- ✓ Financial measures (28.6 percent)
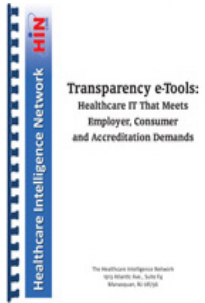- ✓ Employee measures (9.5 percent)

The respondents noted that the most common comparison measures were to contrast current ratings to those from previous years and to the national average of performance measures.

The Hospitals' Challenges of Posting Cost and Performance Data
The responding hospitals that post measures on their sites reported challenges in sharing information in a format

that could be understood by the majority of the public. Another top challenge was the fear and concern by management of sustaining the positive image of the hospital once data was posted. "Some executives feared we would jeopardize our 'image' by posting measures," said one hospital.

Respondents who shared ways that their organizations were responding to these initial challenges noted that strong support from the corporate and administrative branches was essential, as well as a standardization of information shared, involvement of all employees, and a general determination to make it work by those in charge of the initiative.

The Impact on Hospitals

The impact thus far for many responding hospitals has been somewhat minimal. Of the 14 hospital representatives who answered the open-ended question **What impact has posting performance measures had on your organization**?, nine responded that they were either not sure of the impact or could see no change. One representative explained the challenges of implementing a new system in this way: "It is new. Internally, it meant we reached the point where we understand the importance of sharing information openly, and trying to counter some misleading information out there on the Web."

However, the responses from hospital representatives who had noticed a difference were promising. Benefits ranged from improved marketing results and higher customer satisfaction to increased credibility with the community. "Our

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Other Data Distribution Methods

64 percent of hospitals and 38.5 percent of health plans that responded distribute data via methods other than the Web. Here, the most common alternatives:

Hospitals	*Health Plans*
• Internal reports	• Annual managed care report card
• Newsletters	• Posts in hospitals
• Marketing / advertising	• Individual reports to physicians
• Public message boards in cafeterias	• Report to board

*Source: HIN May 2007 e-survey,
"Healthcare Transparency"*

Web gets over 150K (sic) hits per month and posting quality data confirms our commitment to excellence and quality care," said one hospital representative.

Health Plans

The health plans that responded to the survey were most likely to provide the following:

✓ Hospital performance data (46.5 percent)
✓ Physician performance data (34.9 percent)
✓ Hospital cost data (27.9 percent)
✓ Physician cost data (25.6 percent)

The main performance measures posted by responding health plans include clinical measures, patient satisfaction measures and financial measures.

The comparative measures posted by health plans on their Web sites include previous years' results, national average, and Leapfrog standards. (Leapfrog is a group that works with health providers

to encourage transparency and easy access to healthcare information.)

Of the responding health plans with no plan to post cost or performance measures in the upcoming year, some of the most common stated reasons were a lack of an available system in place, too many other initiatives or priorities scheduled, and a general lack of available data.

Challenges for Health Plans

A main concern by health plans was in determining exactly which information to post, compiling significant and accurate data, and accurately explaining the data's limitations and caveats. Respondents reported a bit of physician opposition in posting this information, noting doctors' frequent claims of "That can't be right!" and criticism that the sample data was not statistically significant.

One respondent answered that initial buy-in by physicians was a challenge that their organization faced; however, "…because of building trusting relationships over several years, we were able to gain support for posting info on our Web site."

The main way that health plans overcame the initial challenges to posting data on their Web sites seemed to be by taking time and persevering. One organization has conducted focus group research to help determine exactly how to present the information to the consumer, and has also partnered with provider organizations that oversee quality and licensure/certification (e.g. Leapfrog and the American Board of Internal Medicine).

Data Posting Trends in 2006 and 2007 e-Surveys

	March 2006	May 2007
Number of Responding Hospitals	86	71
Number of Responding Health Plans	63	77
Percentage of These Hospitals Posting Data	65%	49%
Percentage of These Health Plans Posting Data	30%	70.5%

Source: HIN February 2006 and May 2007 e-surveys on Healthcare Report Cards

Impact on Health Plans

Since beginning to share performance and cost measures, many of the responding health plans have begun to see a positive effect. Reported are increased interest and questions from consumers. On the other hand, for those hospitals or healthcare organizations who are not pleased with the information reported about them — either because it is unfavorable or outdated — this data is often the push they need to begin to make changes.

Internally, health plans are feeling the impact as well. As one respondent stated: "[Posting measures] has resulted in focused attention to specific target areas that we might have otherwise thought we were doing well with. Comparison with our peers has also been a great way to incentivize performance improvement." Other respondents note that the newly posted measures have increased the focus of every department in their organization, and aligned the overall vision, goals, incentives, plans and rewards of the company.

The Consumer Perspective

The posting of cost and performance data has been a valuable tool for discriminating

consumers in their evaluation of doctors or healthcare plans. More than 75 percent of responding consumers reported having used posted data to guide their decisions, and the majority were satisfied with the accessibility and understandability of the information presented.

How Consumers Access Performance and Cost Measures

✔ Health plan or hospital Web site
✔ HealthGrades (http://www.healthgrades.com)
✔ The Joint Commission (http://www.jointcommission.org)
✔ State government Web site
✔ Leapfrog (http://www.leapfroggroup.org)
✔ Centers for Medicare and Medicaid Services (http://www.cms.hhs.gov)
✔ Hospital records
✔ Internet search engines

Source: HIN May 2007 e-survey, "Healthcare Transparency"

Although 42.9 percent of respondents reported being satisfied with the information they found on organizations' Web sites, they had many suggestions to make provider performance or cost data more useful. Frequently suggested was a standardization of format and agreed-upon definitions to facilitate comparison between similar organizations. Along those lines, respondents also suggested a unification of research and reporting methodology, with the process of recording and reporting information available to the consumer.

Clear presentation of up-to-date information that was user-friendly and consumer-directed was a big concern of consumers, who also suggested that the organizations post the costs of basic health assessments and routine screening tests, as well as a list of "in-

network" facilities for each provider to make physician and specialist selection easier and more relevant. One respondent suggested that organizations post patient answers to these questions:

✓ Were expected results achieved?
✓ Were you included in the decision-making process?
✓ Were you fully informed of the potential risks and results?

Related Resource

In *Transparency e-Tools: Healthcare IT That Meets Employer, Consumer and Accreditation Demands*, a special report from the Healthcare Intelligence Network, contributing authors **Kim Bellard**, vice president of eMarketing & CRM, Highmark Inc.; **Louis H. Diamond**, M.B., Ch.B., vice president and medical director of Medstat; and **John Mills**, director of product development, HIP Health Plan, describe the challenges of developing Web technologies that support decision-making and promote good health, building effective performance metrics, structuring incentive programs, and getting people to use them.

For more information, please visit:
http://store.hin.com/product.asp?itemid=3702

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