

Commercially Produced Quality Measures

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The [Pacific Business Group on Health](#) (PBGH), a coalition of health care purchasers, recently completed a study for the [California HealthCare Foundation](#) comparing the quality ratings made by the three companies that provide most Californians with information about their hospitals. Yet, because these companies retain proprietary control over some of their methodologies, the study was not published and remains unavailable to the public.

Health care plans and employers have taken a lead role in developing consumer-friendly performance ratings, lending momentum to the efforts of the National Quality Forum, Joint Commission on Accreditation of Healthcare Organizations, and others. But the failure of the commercial ranking companies to disclose all the algorithms used to generate their measures could ultimately undermine their value.

Transparency about how a measure is calculated is critical, says Harlan M. Krumholz, M.D., a professor at Yale University School of Medicine. "These issues are too important for us to be unsure of what's under the hood."

What's more, there is considerable variation among the performance measures, the rankings themselves, and the guidance given to users about how to interpret them. A hospital ranked highly by one ranking system often does not fare well under a different one. Further, "brand name" teaching hospitals often rank lower than expected in systems that consider both cost and quality of care.

How, then, can commercially produced performance measures be trusted? Given the differences among various methodologies and ratings, which numbers should consumers believe?

"One of the problems right now is that there are no clear standards for these systems," says Krumholz, who has studied the ability of these measures to predict hospital performance (see Related Articles). "How do you grade the grader?"

Good Intentions

The three companies examined in the PBGH study—[Health Grades Inc.](#), [HealthShare Technology Inc.](#), and [Subimo](#)—as well as a fourth company not included in the study, [Solucient](#), all provide some information about their data sources and methodology on their Web sites. However, the details provided vary depending on the client—provider, payer, or consumer—a particular product is targeting.

"We got the sense that [the organizations studied] were all trying to do the right thing," says David Hopkins, Ph.D., director of quality measurement and improvement at PBGH. "We might be able to help them in that by moving the whole market towards more standardization in measurement."

The Centers for Medicare & Medicaid Services, the Joint Commission on Accreditation of Healthcare Organizations, and the National Quality Forum recently agreed to work toward consensus in their hospital quality measures. Yet the measures produced by these organizations are mainly focused on processes, such as the optimal use of antibiotics to prevent wound

complications, rather than health outcomes. Quality experts say they do not go far enough to answer the questions that patients, especially those who are about to undergo specific procedures, would like answered.

"No patient is ever going to choose a hospital or surgeon based on their rates of antibiotic use," says John D. Birkmeyer, M.D., Zuidema Professor and chair of outcomes research at the University of Michigan. "They're more interested in the rate at which their patients die after surgery."

Empowering Consumers

This is where commercially produced measures of quality can play an important role. For example, Subimo's "Healthcare Advisor" tool is designed to enable consumers to make informed decisions about their care. "It's a very personally interactive tool that allows consumers to enter information that's important to them," explains Ann Mond Johnson, Subimo's president. Currently, 50 million people have online access to this data, which is typically offered at no charge through their health plan or employer.

Health Grades and HealthShare target multiple stakeholders in the health care industry, including consumers. HealthShare's Select Quality Care Consumer product, for example, is available online to 80 million people through health plans or employers. By taking into account their location and preferences, the tool generates customized reports that help consumers choose hospitals that best meets their needs. "We continue to see more and more interest in these types of tools," says Sharon Wolf, vice president of decision support products at HealthShare.

Health Grades' rating information is available directly to consumers on its Web site, as well as to more than 15 million people through agreements with health plans and employers. Currently, more than one million people access Health Grades information each month, a number that the company says has been growing rapidly.

Typically, consumers hear about the health care quality rating tools through their health plans, which feature them on their Web sites and in their newsletters and enrollment materials. More recently, health plans have been marketing these products to consumers through advertisements.

"We're finally in an era where everyone acknowledges there are real gaps in quality and that should be unacceptable to us," says Samantha Collier, M.D., M.B.A., vice president of medical affairs at Health Grades. "As users of health care, we should make sure we're getting the quality we deserve, and we can't do that unless we educate ourselves with the knowledge that is available."

Commercially produced quality measures are designed to give consumers easily understandable information. For example, users can search the Health Grades database to find survival, complication, and recovery rates for coronary artery bypass grafts at a given hospital, or see whether hospitals use computerized drug ordering. However, some of these ratings might lack the nuance and detail valued by hospital leaders and physicians. PacifiCare Health Systems, which has been giving its members information on provider performance since 1998, has bridged this divide by publishing both long and short versions of quality data. (Health Grades also provides some in-depth reports.)

"We find little interest in the detailed report other than from the providers themselves," says Sam Ho, M.D., senior vice president and chief medical officer at PacifiCare, which currently receives some data from Solucient.

Improving Hospital Quality

Health Grades and HealthShare also work directly with hospitals that are interested in improving their quality of care, often in response to poor ratings they have received. "I'm trying to arm my hospital clients with the same information that health plans are using to make decisions around their business," explains Wolf.

Solucient views hospitals as their primary client base. "Our goal is really to move the mass of hospitals forward," says Kaveh Safavi, M.D., J.D., chief medical officer at Solucient, which also works with drug and device manufacturers to analyze outcomes. "If you're going to improve a process, you have to measure it and compare yourself to some benchmark. We participate in both the measurement and benchmarking activities."

The company, which currently provides measurement services to 3,000 hospitals nationwide, uses published and validated risk and severity adjustment models, except in specialty areas where there is no consensus. "We view [these models] as something that needs to be trusted," explains Safavi. HealthShare also uses published models, while Health Grades uses a combination of published and proprietary methodologies.

However, all quality rating companies are limited by the paucity of data readily available for analysis. The companies rely heavily on Medicare claims data, which is specific to the over-65 population and "tends to be several years out of date," says Krumholz. The most current MedPAR (Medicare Provider Analysis and Review) data are for hospital discharges from October 1, 2002, to September 30, 2003.

These companies also draw on all-payer data in states where it is collected, the American Hospital Association annual hospital survey, regional surveys from groups like PBGH, and consumer preference surveys. They also obtain some data directly from medical records, usually at specific institutions where they have been invited to take a closer look at problem areas.

A Need for Standardization

What, then, accounts for the fact that the companies reach different conclusions about the care provided at the same institutions? "Most of the variability comes from how these companies weight the different elements that go into the final ranking," says Birkmeyer.

For example, *U.S. News & World Report* publishes an annual list of "America's Best Hospitals" that is considered by many to be one of the most influential "report cards." Its hospital quality index has three components: reputation as determined by physician surveys, structural characteristics of each specialty, and an adjusted mortality rate. Solucient's 100 Top Hospitals ranking, in contrast, scores hospitals on seven measures of clinical quality practices and operation efficiency: volume, medical mortality, surgical mortality, complications, length of stay, cost, and percentage of bypass patients in which the internal mammary artery was used.

A coalition of consumer, employer, and labor organizations recently came together to address the lack of standardized quality measures. As part of its [Consumer-Purchaser Disclosure Project](#), the

coalition released guidelines on January 12, 2005, that call for the adoption of industry-wide performance measures.

Even if quality rating companies eventually standardize their measures, Hopkins believes that there are many ways for them to distinguish themselves in the marketplace. "It's one thing to have a set of algorithms that produce hospital quality ratings," he says. "It's another thing to build that into a presentation that will grab users, guide them through a complex system, and help them make difficult decisions. There's lots of room for innovation."

Karen Donelan, Sc.D., a senior scientist at Massachusetts General Hospital's Institute for Health Policy who is working to educate physicians about performance measures, argues that the companies involved have yet to differentiate themselves among consumers. "These tools are still mostly used as a validator of a decision you or your doctor are making already," she says.

While the existing quality data can help to make comparative assessments about performance, some caution that it is not detailed enough to drive meaningful change. "You can't stop and rest with that data whatever the answer," says Bruce Hamory, M.D., executive vice president and chief medical officer of Geisinger Health System. "One has to remain internally focused and continue making what we're doing more efficient and safer and better."

Still, it's always good to have more information, industry experts say. "Some is better than none, sooner is better than later, and more is better than less," says Donelan. "What these tools are forcing us to do is to teach people to think more critically and look at numbers more critically."

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