

Of Metrics and Meaning:

Making Sense of Healthcare Quality Ratings

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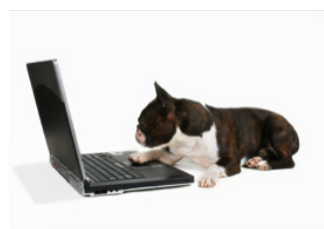
By David Johnson, CEO

As healthcare becomes more consumer-focused, hospital and physician rating systems are proliferating. Yelp is among the latest to lay claim to this fertile ground.

It's impossible to pass any hospital without seeing several banners proclaiming its excellence as measured by national surveying organizations. My very unscientific estimate is there are at least a thousand hospitals included among various "top one hundred" hospital lists.

Establishing credibility amid the increasing social media "noise" requires honesty, transparency and the willingness to trust consumers. Health companies courageous enough to embrace quality transparency will differentiate in post-reform healthcare

Kowabunga! Rampant Surfing for Healthcare Services



Consumer demand for healthcare services appears insatiable. The 2015 Healthcare Consumer Trends report by the National Research Corporation reveals a strong and growing consumer interest in searching for, trusting and acting upon web-based

healthcare quality data.

The survey polled over three thousand consumers in forty-eight states during February 2015. Numbers reveal the strength and depth of the trends:

- 70% of consumers want to view performance data before selecting a provider
- 57% highly trust the healthcare information they receive via social media
- Reputation matters more in healthcare than any other industry
- 77% trust online recommendations as much or more than personal recommendations
- 69% will wait thirty minutes to consult a higher-rated physician and 26% would venture out-of-network for higher-rated physicians
- Average age of individuals using social media for healthcare information has increased to 48 from 42 in 2012

Given the high interest level, it's not surprising that more companies are rushing to provide healthcare quality data. Yelp announced this summer that it is joining forces with

ProPublica to expand the information it provides on over twenty-five thousand U.S. healthcare facilities – everything from ER wait times to hospital noise levels to nursing home fines. The new information will supplement, not supplant, Yelp's star-rating system for medical facilities.

ProPublica created quite a stir itself this summer when it launched its surgeon scorecard. Using Medicare information, the scorecard provides risk-adjusted complication scores for over 17,000 surgeons at over 3500 hospitals. The scores cover individual surgeon performance on eight common elective procedures. Eleven percent of surgeons accounted for twenty-five percent of all complications.

Like rock and roll, healthcare quality data on social media is here to stay. Now what?

Is Quality in the Eye of the Beholder?



An article in Health Affairs' March 2015 edition explores the hospital rankings of four widely-followed national surveys from late 2012 and early 2013. U.S. News, Health Grades, Leapfrog and Consumer Reports published

the surveys.

The results are as clear as mud:

- No hospital was named a high-performer in all four surveys
- Only ten percent of 844 hospitals ranked as high performers in one survey were ranked high performers in another survey
- Twenty-seven hospitals ranked as high performers in one survey were ranked low performers in another survey
- U.S. News and Consumer Reports had no overlap among their high-performing hospitals

Reasons for the widespread variation in results are manifold. They include different ratings criteria, different eligibility criteria, different evaluation metrics, different approaches to addressing missing data and different approaches to risk-adjustment in measuring outcomes.

The nuance embedded in ratings methodology is lost on almost all consumers. The variation in results creates more confusion than clarity. In statistical terms, there is far more “noise” than there is “signal”.

The unfortunate result is that hospital rankings appear anecdotal rather than rigorous. They impart opinion rather than meaning.

What is a Health System to Do?

First things first. Hospitals have to make quality “Job 1” and be held accountable for their performance. Once that commitment is in place, a hospital’s challenge shifts to execution and constant performance improvement.

Health systems that achieve higher quality outcomes should welcome greater transparency. They also should push for standardizing metrics that are both internally and externally understandable.

There is transparency and clarity for profitability metrics. There is little debate regarding the measurement of hospital occupancy, payor mix, surgeries and operating margin. Healthcare should strive for equivalent transparency and clarity in quality metrics.

Piedmont Healthcare Embraces Transparency



Health systems must trust customers enough to share real information. First-movers will earn customer trust and benefit disproportionately from consumers eager to make better medical decisions. Piedmont Healthcare’s experience validates the benefits of embracing transparency.

Piedmont began publishing independent patient ratings of their physicians in April 2014. Today 97% of Piedmont’s physician profiles hold the top spot in Google search results. Moreover, Piedmont has seen a 2,000% (wow) increase in both page views and unique monthly visits to its physicians’ profiles.

Piedmont’s brand has never been stronger.

Is Transparency Enough?

The unreliability of current quality rankings and increasing public scrutiny of hospital operations may require enlightened health companies to take more dramatic actions to win public confidence.

A scathing August 31st New York Times commentary on hospital safety by Thomas Moore and Steve Cohen recommends that hospitals should link a significant portion of senior administrator and physician compensation to reductions in malpractice claims.

Too much? Maybe, but that type of action would send a strong “signal” validating a commitment to quality amid the abundant “noise” surrounding quality in the healthcare marketplace.

As Justice Louis Brandeis wrote over a hundred years ago, “Sunlight is the best of disinfectants.” Shining a bright light on quality performance and sharing results honestly with an inquiring public is essential to winning customer trust in post-reform healthcare.