Quality Advisory

March 5, 2014

GUIDING PRINCIPLES FOR PUBLIC REPORTING OF PROVIDER PERFORMANCE

The Issue

Encouraging health care quality improvement through the public reporting of quality performance data is a laudable activity. Numerous quality performance reports are now being published, but because they use different measures, different methodologies, and different methods of display, they provide highly varied assessments of which organizations perform well and which do not. Understanding the relative strengths and weaknesses of various public reports will aid hospital leaders in knowing how to respond to the published data.

Background

The variation in public reports on quality has prompted many questions and concerns among hospital leaders. They worry both about the potential for the public to be confused and their own organizations’ improvement efforts to be derailed by poorly developed quality performance reports. To address concerns about the variation across the increasing number of hospital and physician quality performance reports, the Association of American Medical Colleges (AAMC) convened a panel of quality reporting experts to develop a set of guiding principles for evaluating publicly reported provider performance data. The attached document, Guiding Principles for Public Reporting of Provider Performance, serves as a framework to help the nation’s hospitals evaluate reports of provider performance data and respond to questions from their governing boards, media, and the general public.

The document calls for data and reporting methodologies to be well-defined, transparent, and valid. The Guiding Principles have been endorsed by the AAMC, as well as America’s Essential Hospitals, American Hospital Association (AHA), Catholic Health Association (CHA), Children’s Hospital Association, and the Federation of American Hospitals (FAH).

To access the document, click: http://aamc.org/publicreporting.
**Next Steps**

Share this document with your quality leadership team and your media relations staff and ask them to assess how it might be useful in responding to questions about your organization’s performance on the public reports of quality that are prominently used in your community.

**Further Questions**

If you have additional questions, please feel free to contact:

- Jennifer Faerberg, Director, Clinical Transformation or Mary Wheatley, Director, Quality and Physician Payment Policies, Association of American Medical Colleges
- Xiaoyi Huang, Vice President, Policy, America’s Essential Hospitals
- Nancy Foster, Vice President for Quality and Patient Safety Policy, American Hospital Association
- Kathy Curran, Senior Director, Public Policy, Catholic Health Association
- Norida Torriente, Associate Director, Public Relations, Children’s Hospital Association
- Jayne Hart Chambers, Senior Vice President, Quality, Federation of American Hospitals
Guiding Principles for Public Reporting of Provider Performance

The number of organizations issuing reports on hospital and physician quality performance has increased remarkably over the past decade. Differences in the measures, data sources, and scoring methodologies produce contradictory results that lead to confusion for the public, providers, and governing boards, and impair the public’s ability to make well-informed choices about health care providers. A paper published in *Health Affairs* (2008), showed markedly divergent rankings of the same institutions by Hospital Compare, Healthgrades, Leapfrog Group, and *U.S. News & World Report*. This variability continues today and points to concerns about validity and reliability among the measures used by these groups.

The hospital community supports the principle of accountability through public reporting of health care performance data. However, performance data that are not collected, analyzed, or displayed appropriately may add more confusion than clarity to the health care quality question. For data to be understood and for results to be comparable, publicly reported data should adhere to a set of guiding principles. With that goal in mind, the AAMC (Association of American Medical Colleges) convened a panel of experts on quality reporting to develop a set of guiding principles that can be used to evaluate quality reports. The principles are organized into three broad categories:

- **Purpose**
- **Transparency**
- **Validity**

**Purpose**: Public reporting and performance measurement occur for a variety of reasons, including consumer education, provider quality improvement, and purchaser decision making. Each website that reports performance data should explicitly state its target audience and the intended purpose of the report. The data, measures, and data display should fit the report’s stated purpose. Stakeholders may have differing opinions on how well the measures and methodology meet the intended purpose; however, a discussion on divergent viewpoints cannot occur if the purpose is not well defined.

**Transparency**: Methodological details can impact both providers’ performance data and the appropriate interpretation of the data. Transparency requires that all information necessary to understand the data be available to a reader; this information includes measure specifications, data collection methods, data sources, risk adjustment methodologies and their component parts, composite score methodologies, and reporting methods used to translate results into graphical displays. Details should be sufficient for independent replication of the results. Limitations in the data collection and methodology and relevant financial interests also should be disclosed.

**Validity**: Validity ensures that the methodology, data collection, scoring, and benchmarks produce an accurate reflection of the characteristic being measured. Ideally, measures, as well as composite and scoring methodologies, should be supported by clinical evidence, field-tested and, where appropriate, have National Quality Forum (NQF) endorsement. Validity is necessary to ensure that results are accurate and that providers are appropriately characterized.

Public reporting that adheres to these guiding principles will ensure appropriate interpretation of performance results.

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**Guiding Principles for Public Reporting of Provider Performance**

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<td>• Dashboards should have a clear, concise purpose statement, including the intended audience(s).</td>
<td>• Methodology must be transparent addressing but not limited to:</td>
<td>• Measures should be tested, validated, and ideally endorsed by the National Quality Forum (NQF).</td>
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<td>• Dashboard displays should be tailored to the specified audience.</td>
<td>o Clearly identified data sources</td>
<td>• Measures need to be supported by the latest clinical evidence.</td>
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<td>• Measures should contribute to the stated purpose.</td>
<td>o Identified date ranges</td>
<td>• Data collection and data sources need to be rigorously defined, validated, and verified to ensure usefulness, relevance, and comparability.</td>
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<td>• Ratings, scores, and grades should be useful for the stated purpose.</td>
<td>o Detailed specifications for individual measures and composites, with sufficient detail to facilitate replication of results</td>
<td>• Outcome measures should be risk adjusted and risk adjustment methodology validated to conform to industry standards.</td>
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<td>• Data timeliness should be relevant to the stated purpose.</td>
<td>o Detailed scoring methodology</td>
<td>• Categories of performance (grades or ratings) should be developed using only robust statistical methods.</td>
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<td>o Risk adjustment methodology with open architecture that includes documentation of reliability/validity and details of the variables and weights used</td>
<td>• Methods should distinguish between missing data and poor performance.</td>
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<td>o Disclosure of any proprietary methodology</td>
<td>• Creating composites from disparate measures for ease of display should be avoided. Composite measures that receive NQF endorsement should be used.</td>
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<td>• Limitations or exclusions in the data reporting should be disclosed, including but not limited to:</td>
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<td>o Data timeliness</td>
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<td>o Small sample sizes</td>
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<td>o Validated vs. nonvalidated data</td>
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<td>o Use of proprietary measures/methodologies</td>
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<td>o Disclosure of financial interests or other business related interests (consulting services, reports, etc.)</td>
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<td>o Limitations to accurately address differences in patient populations (such as socio-economic status)</td>
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<td>o Other limitations in data collection</td>
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The AAMC would like to thank volunteers in the Public Reporting Principles workgroup for their effort.

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Organizations listed above are for identification purposes only.

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The following organizations have endorsed these guiding principles:

- American Hospital Association
  www.aha.org
- America's Essential Hospitals
  www.essentialhospitals.org
- Federation of American Hospitals
  www.fah.org
- Catholic Health Association of the United States
  www.chusa.org
- Children's Hospital Association
  www.childrenshospitals.org