Quality Advisory

April 13, 2015

HOSPITAL COMPARE STAR RATINGS AND OTHER New Hospital Rankings Coming Soon

AT A GLANCE

At Issue:

American Hospital Association_®

On April 16, the Centers for Medicare & Medicaid Services (CMS) will add "star ratings" to its *Hospital Compare* <u>website</u>. Hospitals will receive ratings of one to five stars – with five stars being the highest score – based on data from the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) patient experience survey. To be clear, this represents a change in how information is displayed, not the addition of questions to be answered or data to be collected. At this time, no other measures on *Hospital Compare* will receive star ratings. However, CMS is in the early stages of developing a star rating approach it intends to apply to most measures on the website in the future.

Two other organizations also are expected to unveil updated hospital quality rankings this spring. By the end of April, the Leapfrog Group will update its "Hospital Safety Scores" (i.e., letter grades of A to F), which are based on several patient safety measures. And as soon as May 5, *US News and World Report* will unveil new hospital ratings, "Best Hospitals for Common Care," intended to reflect hospital performance on relatively common procedures and conditions (e.g., hip replacement, congestive heart failure). All three rankings add to the already significant number of available websites ranking and rating hospital performance.

Our Take:

Hospitals are committed to sharing accurate, meaningful information about quality performance with the patients and communities they serve. Each ranking and rating approach has strengths and limitations, and should be viewed as one tool among many that patients and families can use to inform health care decisions. Moreover, we caution that the inconsistency of measures and methodologies across hospital ratings can lead to confusion among patients and hospital staff about the true state of hospital performance.

What You Can Do:

- $\sqrt{}$ Share this advisory with your chief quality officer and media relations team, asking them to assess how your organization might respond to questions from reporters or your community about HCAHPS star ratings, Leapfrog, *US News* and other hospital rankings.
- $\sqrt{}$ Review available preview reports and methodology documents to understand each rating's basic approach and your organization's current performance.
- $\sqrt{}$ Be prepared to speak to your performance improvement efforts related to the measures and topics in the rankings.

Further Questions:

Contact Akin Demehin, AHA senior associate director of policy, at (202) 626-2365 or <u>ademehin@aha.org</u>, or Nancy Foster, AHA vice president of quality and patient safety policy, at (202) 626-2337 or <u>nfoster@aha.org</u>.

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BACKGROUND

More than a decade ago, the *Hospital Compare* <u>website</u> was launched through a collaboration of hospital groups, consumer representatives, physician and nursing organizations, employers and payers, oversight organizations and government agencies dedicated to encouraging hospitals to voluntarily collect and make public quality of care information. Subsequently, this public reporting of quality measures was linked to Medicare hospital reimbursement. However, the number of measures on *Hospital Compare* has rapidly increased, prompting an interest from the Centers for Medicare & Medicaid Services (CMS) in improving the usability of data on the website for patients. CMS already uses "star ratings" on many of its other *Compare* websites (e.g., for Medicare Advantage plans, dialysis facilities and nursing homes) to summarize quality measure data, and believes such an approach will make *Hospital Compare* easier for consumers to use.

Since this time, numerous other public hospital rating and ranking websites have emerged, including Leapfrog and a new adaptation of *US News and World Report's* "Best Hospitals." All of these efforts share the goal of providing information to patients to help them understand which hospitals perform best on quality and safety. However, they use different data sources, measures, scoring approaches and methods of display, leading to varying, and sometimes conflicting, assessments of hospital performance.

This *Quality Advisory* summarizes the basic approaches of, and provides more resources to understand, the three report cards that will be released this spring – *Hospital Compare* star ratings for the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) patient experience survey, the Leapfrog Safety Score, and *US News and World Report's* "Best Hospitals for Common Care." **The HCAHPS star ratings are expected first, on April 16.**

The AHA has engaged in efforts to help hospital leaders understand the relative strengths and weaknesses of various public reports, thereby helping them respond to questions from their governing boards, media and general public. The AHA, along with several other national hospital associations, has endorsed a set of guiding principles developed by the Association of American Medical Colleges (AAMC) for evaluating publicly reported provider performance data. The principles call for public data and reporting methodologies to be well-defined, transparent and valid. These principles are summarized in our March 5, 2014 <u>Quality</u>

American Hospital Association® <u>Advisory</u>, and we encourage you to review them to help further inform your efforts to respond to the three ratings being released this spring, and others in the future.

<u>At Issue</u>

Hospital Compare Star Ratings for HCAHPS

As part of the April 16, 2015 *Hospital Compare* quarterly update, CMS will publicly launch a star rating system for HCAHPS. At this time, no other measures on *Hospital Compare* will receive star ratings. However, CMS is in the early stages of developing a star rating approach that it intends to apply to most measures on the website in the future. The AHA <u>urged</u> CMS to exercise considerable care in developing its overall approach to star ratings in its initial comments to the agency.

The star ratings posted this month will be based on HCAHPS survey data for patients discharged between July 1, 2013 and June 30, 2014. CMS intends to update the star ratings as part of its quarterly *Hospital Compare* website updates. These updates usually take place on the third Thursday of April, July, October and December. Hospitals were given an opportunity to preview their HCAHPS star ratings as part of their confidential quarterly *Hospital Compare* data preview reports, which were posted to CMS's QualityNet website (<u>https://www.qualitynet.org</u>) between Dec. 30, 2014 and Jan. 29, 2015.

CMS will display 12 individual HCAHPS star ratings: one for each of the 11 publicly reported HCAHPS measures, plus a new HCAHPS Summary Star Rating intended to reflect overall performance on HCAHPS. The ratings will range from one to five stars, with five stars being best. Ratings will be rounded to the nearest whole number; thus, hospitals will not receive "half star" ratings. CMS will use a complex methodology to convert HCAHPS survey data into star ratings. For additional information, please refer to the Technical Notes and FAQs posted to the HCAHPS website: http://www.hcahpsonline.org/StarRatings.aspx.

CMS is expected to release a draft methodology for applying a star rating approach to the remainder of the measures on *Hospital Compare* this spring. The AHA will share further details with members when they are available, and encourages hospitals to review and comment on the methodology.

Leapfrog Hospital Safety Score

By the end of April, the Leapfrog Group will release updated "Hospital Safety Scores." In general, Leapfrog updates its scores twice per year – in April and October. The Leapfrog Group maintains a website with general timeframes for its activities at: http://www.hospitalsafetyscore.org/for-hospitals/updates-and-timelines-for-hospitals.

The Hospital Safety Score is a letter grade of A to F calculated from 28 different measures intended to reflect hospital performance on patient safety. Of the 28 measures used to calculate the scores, 15 are process- or structure-related and 13 are

outcome-based. Leapfrog uses several sources of data – the Leapfrog Hospital Survey, certain measures on *Hospital Compare* and AHA Annual Survey information. The measures are not simply averaged to calculate the final score. Instead, Leapfrog says each measure's contribution to the score is weighted on:

- Strength of evidence of the measure
- Opportunity for use of the measure
- Potential for the measure to impact the care for many patients

The weighted score for each hospital is then translated into a letter grade. A description of the Leapfrog's methodology is available at: <u>http://www.hospitalsafetyscore.org/your-hospitals-safety-score/about-the-score</u>.

Prior to each score update, the Leapfrog Group provides a three-week "courtesy period" for hospitals to preview confidentially their underlying performance data and submit corrections. Leapfrog also provides an opportunity to preview final letter grades approximately 48 hours prior to their release on the website. Each hospital has a Leapfrog contact who will receive a message directing them to the preview website. The preview website's address is: <u>http://www.leapfroggroup.org/data-validation/validation-login</u>. If you do not have the login information readily available, contact the Leapfrog Help Desk at <u>scorehelp@leapfroggroup.org</u>.

US News and World Report Best Hospitals for Common Care

As soon as May 5, *US News and World Report* will unveil a new hospital rating system, "Best Hospitals for Common Care." This new rating is intended to supplement – and not replace – its existing "Best Hospital" and "Honor Roll" rankings. *US News* suggests that the existing rankings are intended to focus on specialized, high-acuity care while the new "Common Care" rankings will focus on procedures and conditions that are more frequently encountered by patients.

The implementation of the Common Care rankings will be phased in over time. For the May release, *US News* will publish rankings for five different conditions and procedures – chronic obstructive pulmonary disease (COPD), congestive heart failure (CHF), coronary artery bypass graft (CABG), hip replacement and knee replacement. *US News* continues to develop rankings for 14 other cohorts of procedures and conditions that it will publish in the future.

For each of the five conditions and procedures, hospitals will receive one of four ratings – high performing, average, below average or unrated (due to insufficient data or other exclusions). Hospitals will not be numerically ranked against each other, nor will there be an "Honor Roll." The ratings will be calculated using a complex scoring methodology that combines performance on outcome, process and structural measures. Outcome measures include readmissions, mortality, infections, complications of care and HCAHPS patient experience of care data. Process and structural measures include staffing and volume measures. *US News* uses data from a variety of sources – the *Hospital Compare* website, clinical registries and the AHA Annual Survey.

US News has provided a website where hospitals will be able to confidentially preview their performance, review the detailed scoring methodology and receive updates on upcoming data releases. The website address is: <u>https://hospitaldashboard.usnews.com</u>.

MAIN MESSAGES

The AHA has developed the following messages to respond to national inquires about the HCAHPS Star Ratings due out this week. Updated talking points will be available prior to the release of the other rating systems. Please tailor them as you see fit for your organization.

- Hospitals are leaders in sharing quality and safety information so that patients can make an informed choice about their health care.
 - The field was instrumental in creating *Hospital Compare* and supporting the public reporting of HCAHPS data.
- Hospitals agree that quality information should be presented in an understandable manner, yet rating and rankings systems need to be designed with care.
 - The AHA has endorsed a set of principles for quality report cards that call for them to:
 - Have a clearly stated **purpose**, with measures selected to fit this purpose;
 - Demonstrate transparency by using a scoring methodology that can be replicated by others, clearly identifies data sources, and describes limitations of quality scores; and
 - Demonstrate validity by using statistical methods that are supported by evidence and field tested.
- Two concerns stand out regarding Star Ratings systems:
 - Simplified rating systems, like star ratings, are relatively new to health care. While they may be useful for some fields, like restaurants, there is a risk that the star system could oversimplify the complexity of health care.
 - Quality and patient safety measures are constantly evolving and being updated. It's not clear how CMS plans to adapt and update star ratings as measures change. These unknowns could create confusion for patients and hospitals. For example, if CMS makes significant changes to the underlying measures used to determine Star Ratings, a hospital's rating could shift dramatically, and lead to confusion.

- Patients should use all available tools at their disposal to identify which health care decisions are right for them.
 - The new HCAHPS Star Ratings system is merely one tool patients can use when making health care decisions.
 - Many patients talk with friends and family and consult with their physician, nurses and other health care providers.

FURTHER QUESTIONS

For a brief explanation of the on the HCAHPS Star Ratings methodology, please <u>click</u> <u>here</u>, for patient-focused Frequently Asked Questions, <u>click here</u>.

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