

Government initiatives to publish quality and price information:

A qualitative comparison across four settings

Draft 14 January 2020

Sarah L Barber (corresponding author)

World Health Organization

Center for Health Development, Japan

Send comments to: barbers@who.int

Abstract

Purpose: By publishing information about quality, consumers have the information to make more informed decisions about health care seeking behaviors. Given that quality is assumed to be associated with prices, information about prices can be published alongside information about quality to better inform consumer decision-making. **Data sources:** Case studies were commissioned to review experiences about the dissemination of quality and price information to consumers. **Study selection:** The four settings represent high-income settings and variations in the main source of health care coverage. They include Australia, England, Maryland state, and the United States Medicare program. **Data extraction:** For each setting, information was collected about government efforts to publish quality and price information, intended audiences, accessibility, and the linkages between quality and prices. A comparison of this information is presented. **Results of data synthesis:** In each setting, quality and price information is published online. The manner of presentation depended on the intended audience. Quality information was accessible online in all settings, targeted at consumers and easily interpreted in Australia, England, and Maryland. Price data were presented for health care providers in Australia, England, and US Medicare program. Price data were accessible for consumers in Maryland. The linkage between pricing policies and publicly accessible quality measures was clear in one setting (Australia). **Conclusion:** Public release of quality and price information took place in all study settings. The way in which information was presented depended on the intended audience. Among the settings in this study, linkages between price and quality indicators could be made more explicit for consumers.

Keywords: price setting, price regulation, health care delivery

Government initiatives to publish quality and price information:

A qualitative comparison across four settings

Background

Information about the quality of health care has the potential to influence consumers in making informed decisions about care-seeking, although evidence about its impact is mixed (1, 2). At the same time, many countries continue to publish information about quality as a part of their mandate to provide information to consumers (3). Given that quality is assumed to be associated with prices, information about prices can be published alongside information about quality to better inform consumer decision-making (4, 5, 7).

Data and methods

In this study, experiences in four high-income settings are reviewed to understand how information is provided about the quality and price of health services. They include Australia, England, Maryland in the United States (US), and the US Medicare program. For each setting, information was collected about government efforts to publish quality and price information, the intended audiences, and the linkages between prices and quality. The source of information includes published reports and websites (4). A comparison of this information is presented.

Findings

The characteristics of the four settings is described in Table 1. All settings are high-income, and density in human resource for health varies. Current health expenditure as a share of GDP varies from 17% in the USA to 9% in Australia (4). The source of most health spending in all settings is compulsory spending, or funding that is set aside by the government for certain health programs or initiatives.

Public release of information about quality is presented in Table 2. In all four settings, the information is accessible online, and in three settings information is targeted to consumers. The Australian Commission on Safety and Quality in Health Care has section dedicated to consumers, which provides fact sheets and advice about being proactive as health care consumers to ensure safety and quality. Separately, the hospital price regulatory authority (IHPA) focuses on three indicators that are linked with pricing policies: sentinel events, hospital acquired infections, and avoidable readmissions. There is, however, no consumer information about how hospitals currently perform on these quality indicators.

The Care Quality Commission in England provide quality information for health care providers and the public. For health care providers, the site explains regulations, care standards, notifications for sentinel events, and inspections. For the public, the site focuses of the rights of consumers to quality, safe health care, and how complaints can be made. From the inspection reports, a traffic light ranking is provided for indicators measuring safe, effective, caring, responsive, and well-led facilities. This ranking is published for all categories of health service providers subject to inspection, including community services.

The online tool about Maryland Health Care Quality Reports include an online tool for consumers. A consumer selects the medical condition and hospital or geographic region. For each facility, rankings are provided that indicate whether the facility is below average for Maryland, above average or average for a set of indicators for that medical condition. The system is easily accessible, and the information can be interpreted at a glance to identify better performing facilities in comparison with the Maryland average.

The US Centers for Medicare and Medicaid publish the Measures Inventory Tool for health care providers. The tool allows users to select from a wide range of categories in the menu, including the quality improvement program, health care priority, care setting, and clinical condition. For each indicator, the definition and rationale are explained. The information is targeted to health care providers and the site does not provide quality information for consumers.

In all four settings, health care prices are published online. Australia publishes average costs for hospital care including both inpatient and outpatient episodes by hospital payment codes. This information is targeted to health care providers, health professionals, and other stakeholders involved in setting hospital prices. While highly accessible online, its complexity prohibits consumers from easily understanding the information. Similarly, England publishes detailed prices for hospital services by payment codes. The information is easily accessible online, directed to managers and health care providers, and is not intended for consumers.

The Maryland Health Care Quality consumer website about price transparency is targeted to consumers and presents lists of average hospital prices per condition, and average length of

stay. The information is easily accessible and can be disaggregated by categories of payers. The US Centers for Medicare and Medicaid Services established a Physician Fee Look-Up tool for more than 10,000 physician services. This tool guides health care providers through the process of selecting the category of information (e.g., prices, relative value units), the criteria for the payment codes, and administrative contractor. The tool is intended for managers and health care providers rather than consumers.

Only in one setting (Australia), quality and prices are clearly linked. On the site for the price regulatory authority in Australia, they clearly explain the conditions under which payments are withheld or reduced based on the three quality indicators. For example, no funding is provided if an episode of care includes a sentinel event, and funding is reduced for any episode of admitted acute care where a hospital acquired complication occurs.

England has linked prices and quality through the Best Practice Tariffs (BPTs) program (5). Quality targets for BPTs are included in the inspection reports (e.g., avoiding unnecessary admissions, delivering care in appropriate settings, promoting provider quality accreditation, and improving quality of care). However, the linkages between the quality indicators and the payment systems are not apparent from the information provided on the website. Maryland has also implemented a payment system linked to quality: the 10-year Total Cost of Care Model (TCOC). The TCOC selected six areas to improve quality: substance-use disorder, diabetes, hypertension, obesity, smoking, and asthma. However, these conditions are not a part of the quality indicators publicly available.

The US Medicare and Medicaid program has initiated its Bundled Payments for Care Improvement Advanced Model, which aims to link payment and quality of care. It uses seven administrative quality measures, and all are reported on the measures inventory (e.g., all cause hospital readmissions, advance care plan, patient safety indicators, complication rates following hip and knee replacements, excess days in acute care after acute myocardial infarction, and perioperative care selection of prophylactic antibiotics). As such the methods of measurement for health care providers are clearly provided.

Conclusions

Public release of information and quality and price took place in all study settings. The way in which the information was presented varied by the target audience. Quality information for consumers was provided in three of the four settings: Australia, England, and Maryland. Unlike England and Maryland, Australia did not provide a facility ranking but offered consumer facts sheets. In contrast, the US Measures Inventory is targeted to health care providers, to assist them in collecting data for health care quality measures.

In Australia and England, price information was intended for health care stakeholders involved in consultations about health care price setting. The US Physician Look-Up Tool for the US Medicare program is also targeted to health care providers and managers. As such the information online was technical, presented by payment codes, and not intended for consumers. Patients in England may face lower cost sharing, and thus be less cost conscious. However, in Australia, consumers can pay a substantial share of the cost of seeking care, particularly for specialist services (4). In the state of Maryland, the government set up consumer accessible

website that explains average hospital prices. This information can be obtained by payer, which enables consumers to estimate their out of pocket costs.

Despite having clear linkages in all settings between prices paid and quality indicators, the linkage between pricing policies and publicly accessible quality measures was clear in only one setting (Australia). The Australian hospital price regulatory authority explicitly linked hospital performance on three quality and safety indicators to the price level for hospitals. However, they did not report information about quality performance of facilities.

The limitations of this study include a very small number of English-language settings. Patients may rely on information from their health care providers about where to obtain health care and other factors may be more important such as convenience, relationships and amenities. In the US, many individual states provide information to consumers about hospital prices (7).

Implications for other settings

This study illustrates efforts across several settings to publish information about prices and quality, which is one means to help consumers make informed choices, be active consumers of health care and, in some cases, control overall spending and reduce price variation for routine services. However, this study illustrates the challenges of providing such information in an accessible manner. Among the settings in this study, linkages between pricing policies and quality indicators could be made more explicit for consumers.

References

1. Faber M, Bosch M, Wollersheim H, Leatherman S, Grol R. Public reporting in health care: how do consumers use quality-of-care information? A systematic review. *Med Care*. 2009 Jan;47(1):1-8.
2. Metcalfe D, Rios Diaz AJ, Olufajo OA, Massa MS, Ketelaar NA, Flottorp SA, Perry DC. Impact of public release of performance data on the behaviour of healthcare consumers and providers. *Cochrane Database Syst Rev*. 2018 Sep 6;9:CD004538.
3. Marshall MN, Shekelle PG, Davies HT, Smith PC. Public reporting on quality in the United States and the United Kingdom. *Health Aff (Millwood)*. 2003 May-Jun;22(3):134-48.
4. Barber SL, Lorenzoni L, Ong P. Price setting and price regulation in health care: lessons for advancing universal health coverage. *World Health Organization*. 2019.
5. Sinaiko AD, Rosenthal MB. Increased Price Transparency in Health Care — Challenges and Potential Effects. *New England Journal of Medicine* 2011;364:891-894.
6. Hibbard JH, Greene J, Sofaer S, Firminger K, Hirsh H. An experiment shows that a well-designed Report on Costs and Quality can help consumers choose high-value care. *Health Affairs* 2012; 31(3): 560–568.
7. National Conference of State Legislatures. Transparency and Disclosure of Health Costs and Provider Payments: State Actions, March 2017 (Accessed 8 August, 2019, http://www.ncsl.org/research/health/transparency-and-disclosure-health-costs.aspx#Table_1).

Tables

Table 1. Characteristics of case study settings

Setting	Population 2015	% of population >=60 years	GDP per capita, USD 2016	Health inputs per 1000 population		
				Nurses and Hospital		
				Physicians	midwives	beds
Australia	23,799,556	21	54,069	3.5	12.4	3.8
England	55,670,000	23	31,200	2.8	8.4	2.6
Maryland, USA	6,042,718	15	55,404	2.6	NA	2.5
USA	327,167,434	16*	57,904	2.6	8.6	2.9

Source: 4. *65 years and over

Table 2. Public release of information about quality

Setting	Published quality	Audience	Scope of information reported	Online access	Accessibility
Australia	Australian Commission on Safety and Quality in Health Care	Consumers and health care providers	Standards of care for health care providers, consumer information about the right to care, facts sheets on quality and tips for safe health care and working with health care providers. Responsible for managing the Sentinel events list, identifying hospital acquired infections, and avoidable hospital admissions.	Health care provider and consumer resources (Accessed 8 Aug, 2019 https://www.safetyandquality.gov.au/) and link to IHPA. Safety and Quality (Accessed 29 July, 2019 https://www.ihipa.gov.au/what-we-do/safety-and-quality)	Consumer facts sheets and guidance easy to access, readable and there is an understandable link with payment.
				Care Quality Commission (Accessed 29 July, 2019 https://www.cqc.org.uk/).	Easy to access, readable and easily interpreted.
England	Care Quality Commission	Consumers and health care providers	Individual provider level quality inspection reports by facility type with rating for safety, effectiveness, being caring, responsive and well-led.	Quality Reports (Accessed 29 July 2019 https://healthcarequality.mhcc.maryland.gov/MarylandHospitalCompare/index.html#/professional-quality-ratings/condition?topic=8&subtopic=18).	Easy to access, readable and easily interpreted.
				Quality indicators reported by condition and hospital name or type. Facilities given relative ranking as better than average, below average, or average for each condition and overall ranking for the facility.	
Maryland state, USA	Maryland Health Care Quality Reports	Consumers	Quality indicators reported by quality improvement program, objective, health care priority, development stage, reporting level, care setting, clinical condition and subcondition, among others	Centers for Medicare and Medicaid. Measures Inventory Tool (Accessed 29 July, 2019 https://cmit.cms.gov/CMIT_public/ListMeasures)	Easy to access online, and targeted to health care providers tasked with measuring the quality indicators.
USA	Measures Management System, Centers for Medicare and Medicaid	Health care providers	Quality indicators reported by quality improvement program, objective, health care priority, development stage, reporting level, care setting, clinical condition and subcondition, among others	Centers for Medicare and Medicaid. Measures Inventory Tool (Accessed 29 July, 2019 https://cmit.cms.gov/CMIT_public/ListMeasures)	Easy to access online, and targeted to health care providers tasked with measuring the quality indicators.

Table 3. Public release of information about prices

Setting	Published prices	Audience	Scope of information reported	Online access	Accessibility
Australia	National Hospital Cost Data Collection	Health care providers and stakeholders involved in consultations for health care prices.	Detailed and average costs per episode for acute care admissions, emergency department, non-admitted patient expenditures, sub-acute and other products by diagnosis related group (DRG) codes.	National Hospital Cost Data Collection (Accessed 29 July, 2019 https://www.ihsa.gov.au/what-we-do/nhcdc).	Easily accessible for health care professionals. Not intended for consumers and patients.
	National Tariff Payment System and Published Costs	National Health Service Commissioner and health care providers	National prices for hospital inpatient and outpatient services, services for accidents and emergencies, among others, by health resource group payment codes. The site contains detailed information about the payment system for health managers.	National tariff payment system (Accessed 29 July, 2019 https://improvement.nhs.uk/resources/national-tariff/#h2-201920-national-tariff-payment-system).	Easily accessible for health care professionals. Not intended for consumers and patients.
England	Price Transparency consumer website, Maryland Health Care Commission		Average hospital price per case, average length of stay, average hospital charges by certain types of payers (i.e.e, Medicare, Medicaid, Commercial, and other)	Maryland Health Care Quality Reports (Accessed 29 July, 2019 https://healthcarequality.mcc.maryland.gov/Article/View/f84086b8-f1c2-41f2-b0cb-2d7be92a36ab)	Easily accessible, easy to utilize online tools and interpret.
	Physician Fee Schedule Look-up, Centers for Medicare and Medicaid Services	Health care providers and managers	Provides information for >10,000 physician services, relative value units, fee schedule status indicator, and indicators needed for payment adjustment. Prices are adjusted to reflect regional variations.	Centers for Medicare and Medicaid Services (Accessed 29 July, 2019 https://www.cms.gov/apps/physician-fee-schedule/overview.aspx).	Easily accessible for health care professionals. Not intended for consumers and patients.
USA					
Source: 4.					