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PACIFIC BUSINESS GROUP ON HEALTH

Consumer Choice of Health Plan
Decision Support Rules for Health Exchanges: Issue Brief #7

Plan and Provider Quality Ratings

Include health plan and provider quality ratings. Meet the interests of different consumers – those who seek doctor or other provider quality information and those who seek plan-level quality performance information. Distinguish and explain the aspects of quality that are strongly influenced by the health plan versus those that providers most influence.

IMPLEMENTATION

Depending upon the availability of quality information, Exchanges can organize information to help consumers:

- Find a health plan highly rated for plan service
- Find a health plan whose providers get high marks for access to care
- Find a doctor/clinic that scores best on quality dimensions that matter to them[1]
- Assess if there is quality of care information that is relevant to them

Plan quality ratings: Provide consumers with health plan quality ratings to use in their plan selections. Emphasizing quality information alerts consumers that quality varies across plans and does not move in lockstep with costs; it is particularly important to demonstrate that higher costs often do not equate to higher quality.

- **User Preferences:** Query consumers about their interest in quality ratings. Distinguish interest in doctor and other provider quality ratings, like clinical care, access and patient safety, from interest in health plan quality ratings, like customer service, access to information, and minimizing misuse/overuse of services.
- **Plan Comparison:** For a side-by-side plan comparison, if plans are displayed in a column format, there should be a designated row (e.g., a "Plan Ratings" row) near the top of the display. When consumers first arrive at the Plan Comparison section, the "Plan Ratings" row should be expanded (i.e., showing ratings) if they indicated interest in one or more quality topics and collapsed if they did not.
    - Report health plan performance results as summary ratings in the first layer of the Plan Comparison.
        - Clinical quality measures can be consolidated into several ratings. Depending upon the measures set, it may be feasible to report an all-clinical summary rating.
        - Member-reported ratings, using the industry standard CAHPS survey, can be reported using two summary indicators: i) "Access" sums up the "getting needed care" and "timely provider appointments" topics, and ii) "Plan Service" sums up the "customer service", "cost information", and "paying claims" topics.
    - Provide a second tier of performance results for consumers who wish to view the details. These additional ratings illuminate the quality topics that are aggregated to form the summary ratings.

[1] If a variety of provider-level information is available, Exchanges can help consumers find a doctor/clinic that meets various needs (for details, see Issue Brief #6).

Provider quality ratings: Present consumers with provider quality information to incorporate doctor, medical group, or other provider ratings into their health plan decision-making. Such information serves the interests of a large swath of consumers for whom provider choice and health plan choice are interwoven. The presentation of provider quality information will depend on how this data is organized and hosted.

- **Exchange organized/hosted:** If provider quality data is organized and hosted by the Exchange, provider performance ratings or recognition information can be incorporated into a consolidated, all-plans provider directory. Provider search functionality can include, for example, a search for high-quality primary care or other specialty-specific doctors within a convenient distance to the consumer. Doctor affiliation with a medical group or hospital program can be used to present organization-level ratings. Ratings may come from a multi-payer database program or other statewide quality performance collaboratives. Additionally, Exchanges may collect and report real-time consumer ratings of plans and doctors.
- **Health plan organized/hosted:** If provider quality data is organized and hosted by Issuers, quality ratings may be limited to plan directory-based hospital, medical group, and doctor ratings or recognition. This may include product-specific designations (e.g., inclusion in a high-value network) or condition-specific designations (e.g., centers of excellence or reference pricing for selected services).
- **Health 2.0-like internet-based:** If provider quality data is available through an online third party, connect consumers to internet-based provider information resources, though it may be cumbersome for consumers to determine a provider's health plan affiliation.

Communicating quality ratings: Communicate all quality ratings using a single, familiar metric, such as "stars" or "thumbs up" icons, in lieu of numeric scores. Include a legend that reflects the ratings' nature (e.g., "better" to "worse" for relative ratings and "poor" to "excellent" for absolute or quasi-absolute ratings). The legend should explain the full performance spectrum (e.g., 0 to 5 stars) and appear in close proximity to the ratings display.

RATIONALE

Clarify misconceptions: Many consumers equate higher cost with higher quality. This is a particular vulnerability for Exchanges as research shows that consumers interpret the higher metal tiers products to also mean higher quality care and service. Including quality ratings alongside cost information helps consumers understand that quality and cost can diverge (Hibbard et al., 2012). Research indicates that consumers are more likely to consider and choose higher value options when cost information is paired with quality indicators (Hibbard et al., 2012; Reid et al., 2013).

Meet user preferences: "Quality" is interpreted differently by various consumer segments. Consumer definitions of quality include: convenient access to care, a caring and attentive doctor, clinical treatments that work, the reputation of plan providers, and affordable, comprehensive coverage. Decision support can better meet consumers' preferences by presenting and distinguishing multiple dimensions of quality.

Accomplish policy objectives: The use of quality ratings and other performance markers is part of state and national strategies to create efficient healthcare markets in which suppliers and consumers are sensitive to product quality.

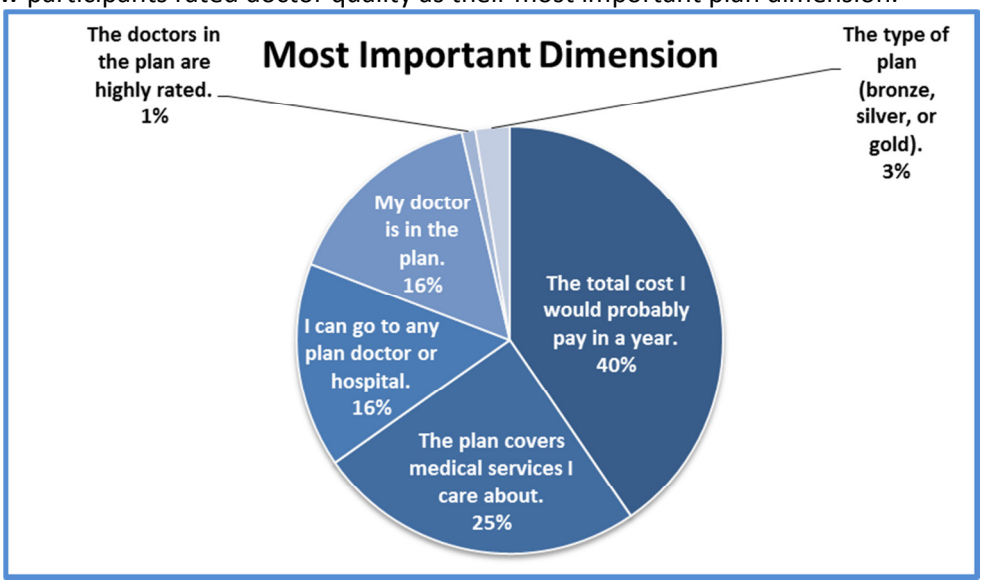
RESEARCH EVIDENCE

Research indicates that including quality ratings can help consumers identify high value health plans (Hibbard et al., 2012; Reid et al., 2013). However, research also indicates that consumers often underuse and misunderstand quality ratings (Derose et al., 2007; Kolstad & Chernew, 2008; Quincy, 2012).

In a series of studies, participants used our online plan choice tool to select a health plan. Although this choice was hypothetical, the health plans were based on real-world plan data and participants were asked to "make [their] medical plan choice as if it were [their] actual plan choice". Participants' preferences were queried in the User Preferences section. They then selected a plan in the Plan Comparison section. Finally, they completed a post-choice questionnaire.

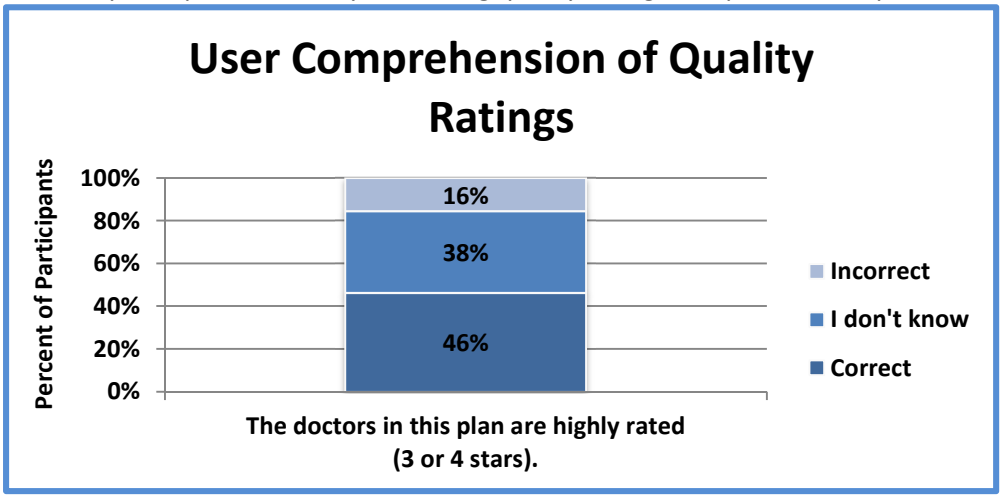
Important dimensions: After selecting a plan, participants were shown a list of six plan dimensions and asked to mark their top dimension. Doctor quality ratings were the dimension least often selected as "most important" (Chart 1). This is consistent with work indicating that quality ratings are often underused (Kolstad & Chernew, 2008; Quincy, 2012). However, flexibility to use their preferred doctor or to see a doctor of their choosing was of great importance to many participants; it is likely that this provider choice flexibility means "quality" to many consumers.

Chart 1. Few participants rated doctor quality as their most important plan dimension.



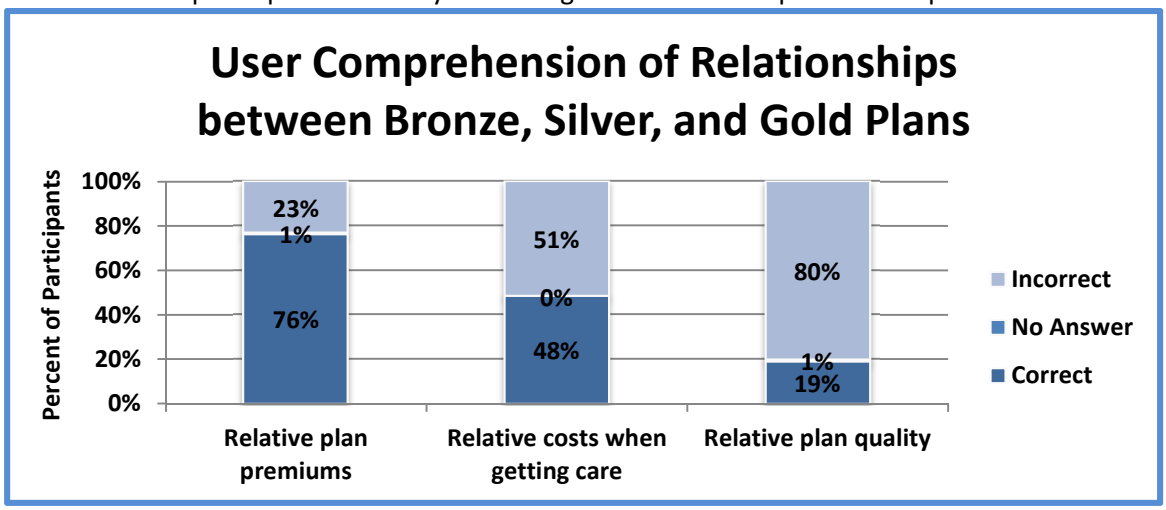
Comprehension of quality ratings. When we asked participants factual questions about their selected plan and scored their answers against the actual features of that plan, we found that many participants either did not understand or did not remember quality ratings (Chart 2). This is consistent with work indicating that quality ratings are not communicated clearly (Hibbard et al., 2012; Sinaiko et al., 2012).

Chart 2. Percent of participants correctly answering quality ratings comprehension question.



When asked about the relationship between the metals tiers and cost and quality, many participants revealed misconceptions about the metals tiers (Chart 3).[2] Most notably, the majority of participants did not understand that plan quality ratings are independent of tier. In fact, half of participants (51%) incorrectly believed that quality increases across tiers such that gold plans are higher quality than bronze plans.

Chart 3. Percent of participants correctly answering metals tiers comprehension questions.



REFERENCES

For more information or other recommendations for plan choice decision support, including additional issue briefs and an in-depth report, visit http://www.pbgh.org/exchange-plan-choice or contact Ted von Glahn (tglahn@pbgh.org).

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[2] We did not include platinum plans in these studies. Participants were asked how gold plans compare to silver and bronze plans, or how bronze plans compare to silver and gold plans.