

Transparency

Providing your patients with useful and helpful information

By Lisa Smith

What is Transparency? In the context of health care it is defined as sharing quality and price information with consumers of health care. The real question becomes how to do this.

On August 22, 2006 the President signed an Executive Order: Promoting Quality and Efficient Health Care in Federal Government Administered or Sponsored Health Care Programs (<http://www.whitehouse.gov/news/releases/2006/08/20060822-2.html>). The Executive Order speaks to promoting quality, the efficient delivery of health care through the use of health information technology, transparency regarding health care quality and price, and better incentives for program beneficiaries, enrollees, and providers.

The Executive Order continues to describe expectations for the Federal Agencies responsible for all Health Care Programs in the areas of:

- *Health information technology* – requiring that the Agencies themselves have health information technology systems and products that meet recognized interoperability standards and that Agency contracts with health care providers require use of systems that again meet recognized interoperability standards. The order defines interoperability and in summary it means sharing clinically purposeful data securely and effectively.

- *Transparency of quality measurements* – expecting the Agencies to implement programs to measure quality and report on the measures.

- *Transparencies of pricing information* – including requiring the Agen-

cies to make pricing information available and specifically mentioned are common episodes of care and the treatment of common chronic diseases.

- *Promoting quality and efficiency of care* – Agencies are required to develop approaches to encourage this and as an example suggests making consumer-directed health care insurance products available.

So far locally, the effects of this order are few and far between. On January 29, 2008 NYS Commissioner Richard F. Daines, M.D. gave a speech entitled Remarks on “Transforming Medicaid: Key to New York’s Health Care Reform” at the Rockefeller Institute of Government in Albany (http://www.health.state.ny.us/commissioner/speech/2008-01-29_medicaid_reimbursement.htm). Dr. Daines refers to two examples of transparency, first is the requirement that institutions prepare and submit GME budgets and second is the restructuring of the Indigent Care Pool to identify true charity care separate from bad debt.

From a consumer lens the question remains, will a greater responsibility for paying for health care bring with it a desire to pay more attention to quality and cost information? Those with health insurance are often dealing with higher deductibles and some are beginning to be offered consumer directed health plans. The growing numbers of those who are uninsured find themselves managing their total health care costs. Will these consumers actually seek out the information? And if they do, how will health care providers find the sweet spot of providing general enough information to be able to manage the process of publishing such information and yet specific enough information to be useful to the consumer.

Consider that to be truly “transparent” it has to mean something to the consumer seeking the information. Therefore to consumers with health insurance useful information focuses on their copays, deductibles and benefit exclusions. For uninsured consumers useful information will likely focus on how to apply for financial assistance.

Additionally, prudent health care decisions also require information on the quality of the health care options. In the absence of quality information, some consumers may incorrectly assume that higher price means higher quality.

Nationally and locally efforts to provide useful health care quality and price information are in the early stages of development. However many health care experts expect the time to come.

What can you do to prepare? Consider reviewing your Usual and Customary charges and having them ready to share when the time comes. Evaluate antitrust issues regarding the sharing of prices. Review any information already published in regards to your health care delivery and if you are dissatisfied with the information consider your options to effect the numbers.

Lisa Smith is President of Eagles Wings Consulting predominantly devoted to building physician profits. You may reach her at (585) 943-3967 or Lisa@EaglesWingsConsulting.com or www.EaglesWingsConsulting.com

