

**SPOTLIGHT HEALTHCARE** No. 1 | 2016

Data, analyses, perspectives

# Public Reporting

**Health-provider transparency increases the quality of care**

- **Accountability demanded:** 91 percent of citizens favor legal rules requiring doctors, hospitals and long-term-care facilities to disclose their quality records in a manner understandable to all.
- **Transparency helps patients:** 81 percent of respondents believe that more information on quality in the healthcare sector would help them find a suitable service provider.
- **Improving quality:** A relatively small share of active users of information on quality is sufficient to increase the pressure on all service providers to improve their quality.
- **Increasing competitiveness:** Public reporting not only influences patient decisions, but also strengthens quality-based competition in the healthcare sector in a variety of ways, while increasing trust in medical care.

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**P**ublic reporting in the healthcare sector has long since ceased being simply a technical term used by insiders. In the United States, the United Kingdom, the Netherlands and Scandinavia, doctors, hospitals and long-term-care facilities have at least to some extent disclosed the results of their work for more than 20 years. In Germany, hospitals have been required to publish structured quality reports since 2005 and requirements tightened each year since. Physicians' associations produce reports on quality management in outpatient medical care. For nursing homes and home-care services in Germany, public reporting began in 2009 with the long-term-care ratings system.

The number of initiatives in Europe committed to the disclosure of health-sector quality data has grown since the 1990s. In many countries, Internet services have been established that offer information on the quality of outpatient and inpatient treatment and long-term-care services (see infobox, page 3). A World Health Organization (WHO) analysis of around 150 studies and publications on this trend shows that while most public-reporting programs aim to support patients in the choice of service providers, this offering is in fact little used by patients. In addition, the WHO analysis provides

»The enormous wealth of data in medicine and research can help improve patient care.«

Federal Minister for Education and Research  
Johanna Wanka in November 2015 at the Medica  
trade show in Dusseldorf – BMBF press release  
from 11/16/2015

early indications that the publication of quality data has other effects as well.

As a part of its Weisse Liste (White List) project, the Bertelsmann Stiftung has evaluated the WHO analysis for this Spotlight report, and has further surveyed popular expectations on this issue. In addition, with the inclusion of additional studies (Gesundheitsmonitor 2012), it has developed a model that clarifies the various effects of the publication of quality-related data, and shows what transparency in the German healthcare sector can achieve. The impact model suggests that benefits of public reporting primarily depend on how the data is deployed. Knowledge regarding decision-making processes, market laws and doctor-patient interactions is thus vitally important.

**Citizens' perspectives on the functions of public reporting**

**If doctors, hospitals and care institutions disclose information on their quality records, ...**

... it will spur providers to continual improvements.



... it will help me when searching for a suitable care provider.



... health-insurance companies and government agencies will be better able to oversee care providers.



■ strongly agree / somewhat agree ■ strongly disagree ■ don't know

Figure 1 | n = 1,004 | Source: TNS Emnid, 10/2015

## Citizens' views on quality differences between healthcare providers

»In your opinion, are differences in quality between doctors, hospitals and long-term-care facilities in Germany ...?«

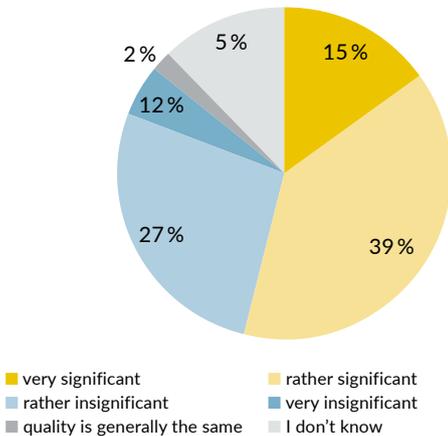


Figure 2 | n = 1,004 |

Source: TNS Emnid, 10/2015



BertelsmannStiftung

## Accountability expectations with regard to quality

»Doctors, hospitals and long-term-care facilities should be legally required to disclose information on their quality records in such a manner understandable by all.«

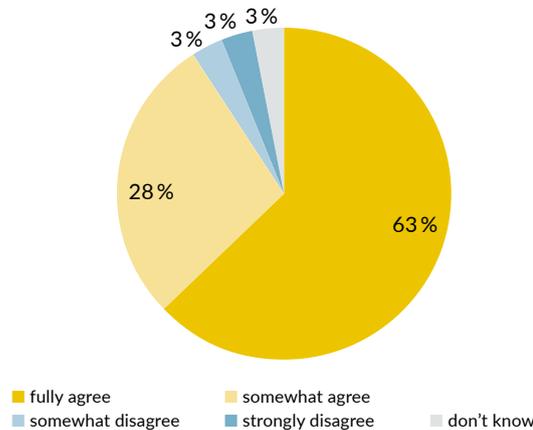


Figure 3 | n = 1,004 | Source:

TNS Emnid, 10/2015



BertelsmannStiftung

## A demand for accountability: 91 percent favor disclosure requirement

While the WHO study has again led to debate between service providers, policymakers and researchers regarding what data can or should be reasonably disclosed, the public had long a clear opinion on the issue of public reporting. Fully 91 percent agree that doctors, hospitals and long-term-care institutions should be legally required to disclose information regarding their quality records in such a way as to be understandable by all. This was the result of a representative survey in October 2015, conducted by TNS Emnid on behalf of the Bertelsmann Stiftung.

The problems with health-care-sector data repeatedly cited by critics of public reporting – distortion effects, invalid sample sizes, risk selection and the high expenditure associated with data collection – are evidently of little concern within the broader population. A total of 54 percent of respondents believe that there are significant quality differences between doctors, hospitals and long-term-care facilities. And nearly all regard health-care service providers as having the obligation to be accountable to patients, the public, other providers, funding bodies and government agencies. British and American consumers hold the same views.

The desire for a comprehensive disclosure of quality data is also associated with the belief that weaknesses and shortcomings can be better identi-

fied in this way. A total of 73 percent of respondents believe that health-insurance providers and government agencies can better oversee health-care providers if providers are required to disclose information on the quality of their services in a manner understandable by all (Figure 1).

Data-privacy advocates consider it legitimate to hold healthcare providers to a standard of public accountability. Healthcare is a minimum social standard, and must for this reason be subject to public oversight, for instance with regard to the way in which healthcare services are provided, says former German Federal Commissioner for

## Web tips: Public reporting in Europe

The Swedish public-reporting project »Waiting times in the Health Care Sector« ([www.vantetider.se](http://www.vantetider.se)) focuses, as its name suggests, on a single aspect of quality.

Programs like »Choose better!« ([www.kiesbeter.nl](http://www.kiesbeter.nl)) in the Netherlands or »NHS Choices« ([www.nhs.uk](http://www.nhs.uk)) by the British National Health Service consider a variety of quality indicators, including patient surveys.

This is also true of »Palveluvaaka« ([www.palveluvaaka.fi](http://www.palveluvaaka.fi)), the advisory portal operated by the Finnish National Institute for Health and Welfare (THI).

The Danish data-protection agency's portal ([www.eSundhed.dk](http://www.eSundhed.dk)), which also contains information for commercial providers, is another example.

## Data monopolies must be prevented

Three questions on public reporting in the healthcare sector for former German Federal Commissioner for Data Protection and Information Freedom Peter Schaar



### Is it legitimate to submit providers in the healthcare sector to public accountability requirements?

Schaar: Of course. The provision of effective healthcare is one of the minimal social standards guaranteed under the Universal Declaration of Human Rights. For this reason, public oversight of how healthcare services are being provided is necessary. Transparency also helps people seeking medical help make decisions for or against a particular therapy with full knowledge of the associated opportunities, risks and costs.

### How can accountability requirements be reconciled with the fact that data in the healthcare sector has become a good monopolized by the sector's actors?

Schaar: Health-data monopolies must not be allowed. This is true for quality oversight efforts as well as for the costs incurred. In addition, doctors, hospitals and other healthcare service providers have an obligation to be accountable to their patients. The right to information about data stored about oneself is also one of the unalienable data-protection rights. Withholding relevant information from an affected person is unlawful.

### If patients are the real owners of healthcare data, these data in some sense represent a public good. How can the interests of data protection and information freedom here be reconciled?

Schaar: I can't agree with the idea of considering data to be a form of property, a concept that comes from the American legal environment. This leads data »owners« to consider themselves free to make unrestricted use of the data, for instance by selling it. Our European conception of the law sees the protection of personal data as a fundamental right, with encroachments permissible only on the basis of an explicit legal authorization or the express consent of the person concerned. Therefore, personal health data is also not a »public good.« Anonymous health data should be regarded differently – for instance, how a clinic spends its money, how high complications rates are, and what therapies are provided should be publicly disclosed. This does not interfere with data-protection efforts.

Data Protection Peter Schaar (see interview to left). This is true both of information on quality and on costs.

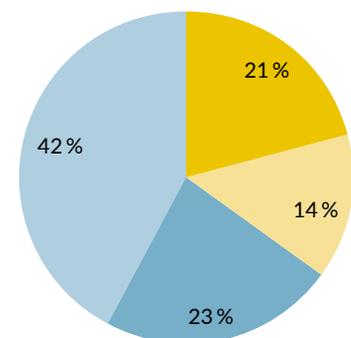
### More transparency can help patients find a suitable service provider

Although few patients genuinely act to inform themselves about the quality of healthcare services, the desire for more information remains. Eighty-one percent of Germans believe that the disclosure of quality data can help them in the search for a suitable provider, according to the TNS Emnid poll conducted for this Spotlight Gesundheit.

In addition to potential users, the Bertelsmann Stiftung also surveyed actual users of quality-related data on the Internet. Just over 80 percent of 1,363 participants in an on-site survey of the Weisse Liste Internet portal stated that relevant information was simple to find on that site. Around three-quarters of users, including doctors and medical consultants, said they found this information helpful. Around 20 percent said they had reconsidered their decision to use a particular treatment facility as a consequence. The limited use of public-reporting portals is thus paired with great interest in the publication of quality-related data, as well as a demonstrated high degree of benefit for actual users.

### Influence of quality-related information on selection decisions

How has the information provided by Weisse Liste influenced your decision?



■ I have reconsidered my initial decision  
 ■ I could imagine reconsidering my original decision  
 ■ The information reconfirmed my decision  
 ■ I had not previously made a decision

Figure 4 | n = 1,363 |  
 Source: Weisse Liste  
 on-site survey 2015

### Patients want to make choices jointly with the doctor

One reason for the discrepancy between the as-yet low degree of use and the existing level of interest in health-sector quality data is likely to lie with the fact that patients generally do not make decisions regarding their treatment alone. Moreover, many do not want to do so. As the previously cited Gesundheitsmonitor 2012 survey shows, only 12 percent of patients have confidence in their own ability to evaluate hospitals based on quality information.

To the degree that information about clinic quality is available, 84 percent of the surveyed patients desire detailed information from the doctors treating them.

This makes clear the need to use quality-related data as an aid to decision-making in the course of care – particularly with general practitioners and specialists – and to accompany this information with appropriate communications offerings.

Many patients are not aware that they can themselves decide jointly with their doctor about their treatment or care. The necessary support thus begins with information regarding alternatives and quality differences. Public-reporting portals can then serve as a basis for a joint decision-making process between doctor and patient. This is facilitated by well-organized data appropriate to a patient’s needs. However, this often appears difficult to come by in the course of everyday medical practice.

### Doctors’ role in hospital selections

How significant is the role of the general practitioner or medical specialist in the choice of a hospital?

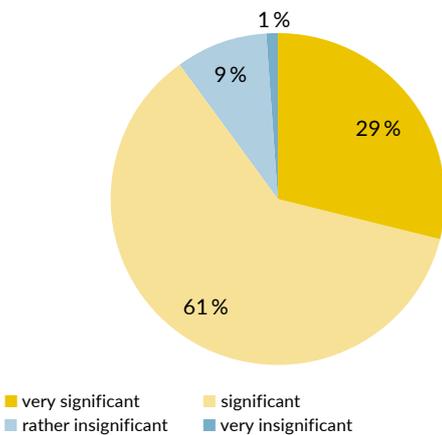


Figure 5 | n = 1,767 | Source: Gesundheitsmonitor 2012 | WEISSE LISTE | BertelsmannStiftung

### Public reporting increases the pressure to improve quality

In the assessment of comparative quality information relevant to treatment, it should be remembered that the informed, autonomous consumer represents a rather rare species. One can often search for rational, information-based consumption decisions in vain. Many people buy on instinct, or rely on recommendations from friends or relatives. Studies show that as the complexity of goods or services increases, personal and other informal information sources are used more frequently.

Nevertheless, the need for comparable consumer information is rarely questioned – apparently, in many cases, a relatively small number of informed consumers suffices to strengthen competition on the basis of quality.

These individuals often pass on their knowledge to other consumers, thus placing direct and indi-

### Hospital choices: Citizens’ perspectives on suitable information sources

Statements on information about relevant quality characteristics when selecting clinics

I would be willing to acquire the necessary information myself through relevant brochures and Internet sites.



I would be willing to receive advice on this issue (e.g., from a health-insurance provider or counseling center).



I would like the doctor treating me to give me detailed information about the clinic’s quality characteristics.



■ Yes ■ No ■ Don't know

Figure 6 | n = 1,706 – 1,737 | Source: Gesundheitsmonitor 2012

rect pressure on providers. By contrast, if there were no way for outsiders to assess the quality of goods and services, competition on the basis of quality would be virtually impossible.

### Without public reporting, no quality-based competition

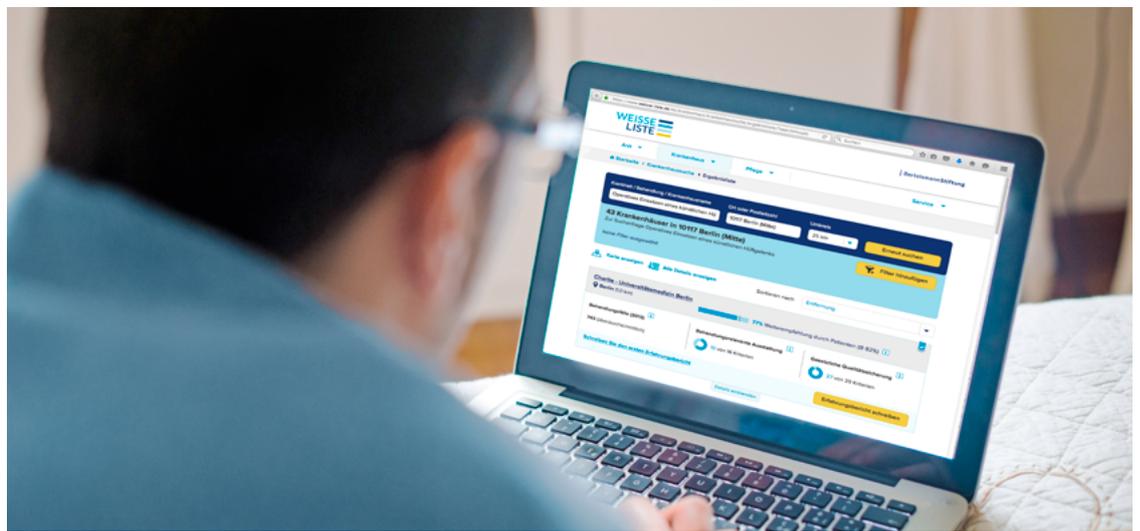
The fact that the assessment of medical services is difficult is no different from other complex goods and services in which quality-based competition

functions well. In the healthcare sector too, public reporting not only facilitates patient decisions, but is simultaneously a fundamental prerequisite for competition on the basis of quality. Public reporting can induce doctors, hospitals, and nursing care and other service providers to improve their services. According to the WHO study, this effect is particularly clear whenever there is significant diversity of providers, and at least one provider is determined to be of low quality. In addition, 86 percent of the population believes that the

#### Sources

The literature review evaluated in this Public Reporting Spotlight, Public Reporting in Health and Long-Term Care to Facilitate Provider Choice, was published by the European Office of the World Health Organization (WHO) as Policy Summary 13. The authors include Stephanie Kumpunen and Lisa Trigg from the London School of Economics and Political Science, as well as Ricardo Rodrigues from the European Center for Social Welfare Policy and Research in Vienna. Both institutions are part of the European Observatory on Health Systems and Policies, a network that addresses health policy.

Download the study:  
[www.euro.who.int](http://www.euro.who.int)



»Doctors, hospitals and other healthcare providers must be accountable to their patients.«

Peter Schaar, former German Federal Commissioner for Data Protection and Freedom of Information

## Public Reporting: Impact model

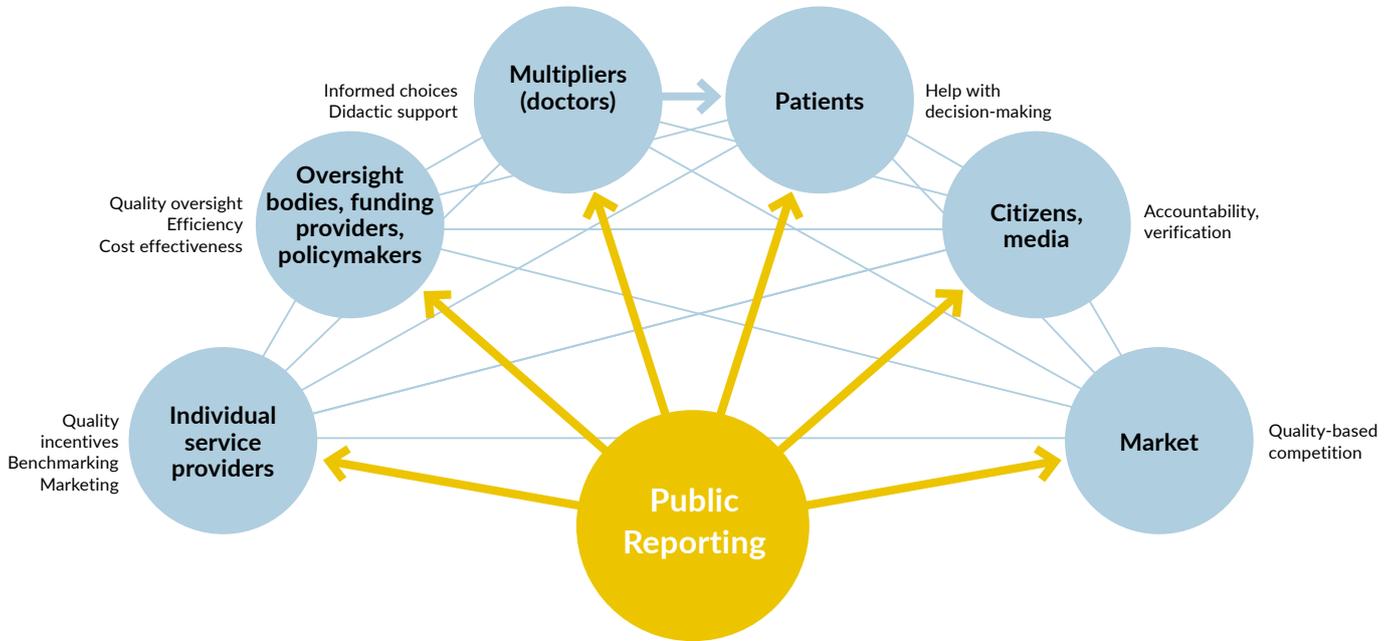


Figure 7

disclosure of quality-related data spurs doctors, hospitals and long-term-care institutions to engage in continual improvement.

### Public reporting shows a variety of impact vectors

Generally, existing studies show that public reporting has or at least can have many different effects. A model developed by the Bertelsmann Stiftung identifies six impact vectors. In this way it becomes clear that the impact of public reporting extends beyond simply directly influencing patient decisions. The indirect influence on doctors providing treatment, patient-advisory services, health-insurance providers and other multipliers represents a second impact vector. This should continue to play a broadly larger role in the future.

An additional impact vector affects the market for medical services and the providers themselves; without the disclosure of quality-related data, at least internally within the sector itself, quality-driven competition between medical service providers cannot function. Public reporting creates incentives for individual providers to improve the quality of their services, and allows benchmarking

with other providers. Many service providers even see quality reporting as a marketing tool to attract patients.

Oversight authorities, health-insurance companies and policymakers are also among the audience for such data. Public reporting can improve quality oversight efforts, efficiency and cost effectiveness within a healthcare system. This is particularly true for the efficiency of sourcing and delivery of health services. Thus, the disclosure of quality-related data to health-insurance providers and policymakers can help in developing quality-oriented agreements and compensation systems.

Independently of these five and possible additional impact vectors, public reporting of quality-oriented information also reflects social values that call for accountability requirements and transparency for tax- or contribution-funded services. In this context, the vast majority of citizens support a legal obligation to disclose information regarding the quality of care. Existing public-reporting initiatives should regard the realization of this demand as an additional core task.

## Recommendations for action

### For transparency, think about users first

Anyone who fundamentally questions the significance of public reporting ignores citizens' clear demand for accountability and transparency. However, quality-related reporting must be systematically expanded in order to allow public reporting to produce positive effects. This should include the relevance and the scope of the data disclosed, as well as the way in which this disclosure takes place. Having more doctors, patients and institutions use the data should be an important goal.

#### Conduct further research on public reporting's impact

- Additional studies on the effects of disclosing quality-related data are necessary to ensure valid statements regarding the desired and undesired effects of public reporting,
- Public reporting must undergo a critical review and an assessment of whether it is achieving its goals. Investigations must additionally consider the diversity of impact vectors and their interdependencies.

#### Close transparency gaps

- The desire of citizens and patients for accountability, assurance and information regarding the quality of services should be addressed by lawmakers through the passage of appropriate transparency rules.
- In the future, the area of inpatient medical rehabilitation should also be made more transparent with regard to quality.
- The quality of general practitioners' and specialists' diagnoses and treatment should be surveyed systematically, rather than simply by using random samples.
- Data on the structure and staffing of doctors' medical practices and long-term-care institutions should be made available.
- The nursing-care grading system has proven to be a failure, and needs to be completely redesigned.

#### Increase data relevance

- The significance and resilience of data intended for publication should be improved.
- Published quality-related data should be limited to those aspects of care that are relevant to patients.
- Health-insurance companies and service providers should disclose accounting data as appropriate.

#### Use quality-related data in doctors' practices

- When admitting their patients to hospitals, doctors with their own practices should routinely use available quality data.
- When making referrals to other service providers (e.g., long-term-care facilities), doctors should also make use of available quality-related information.



SPOTLIGHT HEALTHCARE is an initiative of the »Improving Healthcare – Informing Patients« program at the Bertelsmann Stiftung. Published several times a year, SPOTLIGHT HEALTHCARE addresses topical issues in healthcare. The Bertelsmann Stiftung is committed to promoting a healthcare system relevant to public needs. Through its projects, the Stiftung aims to ensure the provision of needs-based and sustainable high-quality healthcare in which patients are empowered by access to readily understandable information.

The Weisse Liste (White List) renders quality differences in healthcare transparent through its Internet portal ([www.weisse-liste.de](http://www.weisse-liste.de)). The goal is to support patients and their families in the search for an appropriate doctor or hospital, and in the choice of appropriate healthcare services. This promotes competition among providers on the basis of better quality, which also benefits patients.

**For more information,**  
please visit [www.weisse-liste.de](http://www.weisse-liste.de) and  
[www.bertelsmann-stiftung.de](http://www.bertelsmann-stiftung.de).

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