



AHA Dishes Star Ratings, But "What's Good For The Goose Is Good For The Gander!"



June, 22, 2017
Duane Blackwell, CEO
National Home Health Analytics

OK, so maybe I don't "get it". The AHA, that's *The American Hospital Association*, wants CMS to suspend the use of "Star Ratings" as a means for consumers to measure the quality of care delivered by our nation's hospitals. The AHA says the system isn't fair and that the ratings perhaps treat too simply a very complex subject (isn't simplification the whole idea?). They say that the rating system is cumbersome and that hospitals already face too much government regulation (they may actually have a point there - point so noted).

Now I'll agree that the rating system isn't *perfect* (far from it), but I'd argue much more passionately that the use of Star Ratings is a very good first-step toward creating some *desperately* needed transparency in the delivery of US healthcare. I mean, surely no one is opposed to transparency, right? *Right?* As consumers, we don't have *any* independent and quantifiable measures of quality - other than the stars - when choosing to which hospital we will trust our very lives. For that matter, we don't have *any freaking idea* of how much the hospital visit is going to cost us! Don't we all deserve better than that?

Allow me to digress. Remember the last time you purchased a new car? Other than taking a quick glance at the sexy curves and shiny new paint job, what was the first thing you looked at? You might have ogled the manufacturer's glossy brochure. Maybe you purchased a current copy of "Road and Track" or peeked online at "Consumer Reports". All pretty good moves! But I'll almost *guarantee* that before you made a final purchase decision, before you wrote that big check, you found yourself studying The Monroney Sticker. You know, that mundane and decidedly unsexy one-pager attached to the backseat window - generally on the passenger side.

The Monroney Sticker (colloquially known as the "window sticker") resulted from The Automobile Information Disclosure Act of 1958, which was authored by Senator Mike Monroney of Oklahoma. Legend has it that Monroney was inspired to write the legislation after his niece was treated a bit unfairly by an unscrupulous car dealer during a new car purchase. For the sake of any trivia buffs out there, Monroney also authored the legislation that created the Federal Aviation Administration. The Monroney Sticker has slowly morphed into a valuable source of **comparative transparency** for consumers when purchasing a new automobile. At a single glance, a potential buyer knows *the price* (subject to that darned bickering process), *safety rating*, *fuel efficiency*, *warranty details*, *costly optional equipment*, and *even the cars final assembly point*. The result is a more informed consumer and, perhaps, a better purchase decision. Is the "sticker" a flawless tool? Maybe not. But having it in hand sure beats that queasy feeling of confused

amazement you might experience as you stand toe-to-toe with the dude in the plaid sports coat and patent leather shoes who's holding all the cards. *Good luck wit dat!*

The AHA would no doubt argue that choosing the right hospital is a far more important and far more complex decision than choosing the right automobile. And I'll agree with that. I'd add that choosing the right hospital also carries far more financial risk and health risk than choosing the right car (unless perhaps one foolishly purchases a car with no seat belts). But we would *all* agree, I suspect, that price and quality transparency is invaluable whenever we as consumers are faced with making *truly big purchase decisions*.

Back to the CMS Star Ratings. The AHA hates 'em, but star ratings are really nothing new. Home health agencies have been dealing with the ratings for a couple of years now. And to be perfectly honest, home health agencies are not exactly overjoyed with how the ratings work either. I'd argue, nonetheless, that the ratings system has been a "win/win" for consumers and home health providers alike. Perhaps not a home run, but arguably a solid stand-up double. *Pourquoi?*

Well, first of all, the star ratings have literally forced home health agencies to become more focused on delivering high quality care. It was management guru Peter Drucker who famously said "*Whatever gets measured gets improved.*" I don't think there is any doubt about that one (it's why fifth graders get report cards). Star ratings also give consumers of home health (patients, physicians, hospitals, ACOs etc....) at least some idea of what they are getting into when they choose one particular agency over others.

I work with a lot of home health agencies who are struggling, and for the most part *succeeding*, in delivering higher quality outcomes. You see it in their star ratings, but you also see it in their cultures. They are becoming better at holding clinicians accountable for what they deliver and for what they do *not* deliver. For most of my clients, "good enough" is simply not good enough anymore. And I think that's a *very good* thing. It's kinda like a "Nordstrom Moment"!

Star ratings have no doubt made it harder for marginal home health agencies to survive and thrive. I mean, it's inherently *much* harder to do business when you have to both walk *and* chew gum, isn't it? Everybody, including our good friends at the AHA, need to just get over it. Oh, and there's also that "**Goose**" thing. You know, "*what's good for the goose is good for the gander*".

My home health agency clients increasingly face scrutiny from hospitals and ACOs who are vetting agencies for inclusion in their narrow networks of PAC providers. Wanna guess what the very first question my clients get asked by those hospitals and ACOs? *Uh huh!*, it's about those dastardly stars! And it's the *very first question every time* (btw, it's also a *perfectly* reasonable question).

What's good for the goose is good for the gander. And if it's good for the goose **and** it's good for the gander, *I'm thinking it just might be good for healthcare too!*

Note -- please follow me on Twitter, Facebook, and LinkedIn!