One of the most powerful forces driving improvement in health care is the educated consumer. Consumers who make informed choices and are engaged in their own care not only experience better health outcomes, they also help doctors, hospitals and health plans deliver better care and service.¹

Currently, the U.S. health care system can be difficult to understand and navigate. Consumers often feel overwhelmed by the health care process and powerless to get quality care—or the right care, at the right time, for the right reason. One reason they feel powerless is that very few consumers have access to information about the effectiveness of their doctors, hospitals, and other health care providers. In other words, there is very little transparency—or available, publicly reported, easy-to-understand information about quality care.

Consumers deserve to know the quality of their health care and whether their doctor or hospital is providing them with the right tests and the right medications. Health care transparency provides consumers with the information and the incentive to choose health care providers based on their own needs.

Sharing information about what happens inside our health care systems with everyone who gets, gives, or pays for care will help to improve health care quality.

What are the benefits of increased transparency?

To improve quality, we need better information about the actual performance of doctors and hospitals. We don’t always know who is doing a good job and who is not because we can’t see inside the health care system.

More transparency within the health care system is a central component of improving health care quality and giving consumers more access to information is a good place to start.

Increased transparency in health information:

- Allows patients and families to compare the quality of care available from different health care providers so they can make decisions based on which doctors are best suited to their needs.
- Provides doctors with information about the quality of care they provide compared to their peers so they can improve as needed.
- Can lead to savings for consumers—in the form of lower insurance premiums and more effective care with fewer duplications and medical errors.
- Can help inform consumers about various treatment options and what questions to ask based on their specific condition or diagnosis.
- Enables health care purchasers, such as employers, to make more informed decisions when choosing health plans and provider networks for their employees.
- Recognizes high-quality providers and offers information to help poor performers improve.

Perhaps the biggest reason to invest in increased transparency in the health care system is because research shows that public reporting encourages providers to make changes and improve the quality of care they provide.² For instance:

- In 1996, only about 6 out of 10 eligible heart attack patients received the right medicine. That year, health plans began to measure how often doctors prescribed the right medicine, and within 10 years, the number of eligible heart attack patients that received the right medicine improved to 9 out of 10 patients.³
A 2005 study demonstrated that Wisconsin hospitals whose performance was publicly reported improved significantly over hospitals whose performance was not made public. Almost all of the hospitals that publicly reported their initial performance scores showed improved performance, while less than half of the hospitals that did not publicly report their scores showed improvement.\(^4\)

**What can we do to improve transparency in the health care system?**

Everyone who gets care, gives care and pays for care must work together. First, we must understand the quality of care in every community by measuring and reporting the performance of doctors and hospitals. Consumer advocates can encourage publicly reported performance information that is easily accessible and understood by the public.

We must encourage people to act more like “consumers” when it comes to health care in order to create demand for high-quality care—in the same way that consumers buying a new car compare prices and features to find the best value car and then make their purchase from a place that provides good customer service. We must also encourage patients to become better partners with their doctors in managing their own health care.

Consumer advocates can work to raise awareness among consumers about the importance of using performance information to make educated health care decisions, and can educate the public about performance information that is available to consumers—at the local, state, and national levels.

To learn more about the public reporting transparency initiatives in your own state, click here: Community Alliances in Action.