

# Strategies to increase and improve data transparency

## Background

Higher rates of health care spending are not always associated with improved health care quality and access. To achieve the Triple Aim goals of better population health and better outcomes at lower cost, we need to measure health care price and quality data together. The American Medical Association recognizes that data is a critical building block to achieving a better health care system. Data transparency has the potential to improve quality of care while reducing costs. However, it is critical that data not only be accessible but also be presented as useable information. Raw data on its own does not provide insights and, more importantly, lacks the context needed to make the data relevant, which makes the data potentially harmful to users misinterpreting and misunderstanding the data.

## Availability and uses of health care data

The data transparency movement has been gaining traction. The Affordable Care Act (ACA) includes transparency provisions, such as the Qualified Entity (QE) program, and stakeholders are recognizing transparency as an integral part of health care reform. Due to this movement, large amounts of health care information are now publically accessible and widely being used to make judgments about health care quality and cost. Transparency efforts include actions by the federal government, states, insurers, providers and others, many of which already publish and report on health care data.

Support for increased transparency in health care data is bipartisan and being pursued at all levels of the federal government. The Administration identified transparency and data sharing as one of four key components of the Open Government Initiative. In keeping with this effort, the Centers for Medicare & Medicaid Services made Medicare hospital charge and physician claims data publicly available via large Excel spreadsheets. Ironically, the mass of data that was released is less complete than many previous data sets prompting untrained observers to make flawed comparisons.

Data transparency is two-fold. Data must be made available and also be presented with context that includes safeguards to help the public interpret the material. The AMA supports data transparency and recognizes that meaningful transparency requires not only access to data but an understanding of the scope, exclusions, and limitations of information.

Improving upon broad federal data release efforts, states are developing all-payer claims databases (APCDs) that serve as a centralized resource for data related to care costs and charges. APCDs combine datasets from medical claims, pharmacy claims, eligibility files and provider files. Access, release and usage rules of the data depend on the state; however, the information is already being used for various purposes including public health research, provider evaluation and the creation of cost comparison tools.

Almost all major health insurers offer a transparency tool to help enrollees determine expected out-of-pocket expenses for specific services. To lead to value-based care, pricing data must be coupled with quality data. The AMA has worked vigorously to challenge efforts that simply measure cost of care without regard to quality.

Physicians and other care providers are beginning to use data coupled with quality information to improve care decision-making. Data analytics can identify patients who are potential candidates for interventions to better manage their health conditions thereby mitigating negative outcomes and improving overall care. Achieving such care improvements with health care data requires a robust data framework. There is also need for standardization across data sets and avoidance of administrative burdens that may have the effect of diverting attention away from patient care.

## Using data transparency to promote quality and care delivery

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The advent of new delivery models, the focus on improving health care quality while reducing costs, and the emergence of new technology have increased the interest in health care data. The AMA recognizes the potential of data transparency and outlines the following principles recognizing the new data environment and the need for physicians to be active participants in this area.

### Transparency objectives and goals

- Encourage physician engagement in transparency efforts
- Promote new payment and delivery models
- Improve care choices and decisions by providing the appropriate information with context
- Inform physicians through development of user interfaces
- Inform patients by encouraging them to discuss data transparency with their physicians
- Inform consumers by facilitating more proactive use of health care data

### How to overcome challenges to transparency

- Standardization through uniform formatting in electronic health records
- Mitigate administrative burden by making collection, reporting and review of data voluntary
- Avoid data attribution errors

### Data transparency resources

- Increase data availability and sharing among stakeholders
- Access to the most current data
- Accurate data through proper oversight and public reporting safeguards

## The future of data transparency

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Data transparency has been gaining momentum, and the movement is here to stay. Data is an asset but only valuable if used constructively and appropriately to deliver the necessary information. Big data must be broken down into manageable segments to demonstrate value. The AMA is committed to pursuing its data principles to ensure data is used efficiently to deliver valuable insights that ultimately improve patient care and health care outcomes.