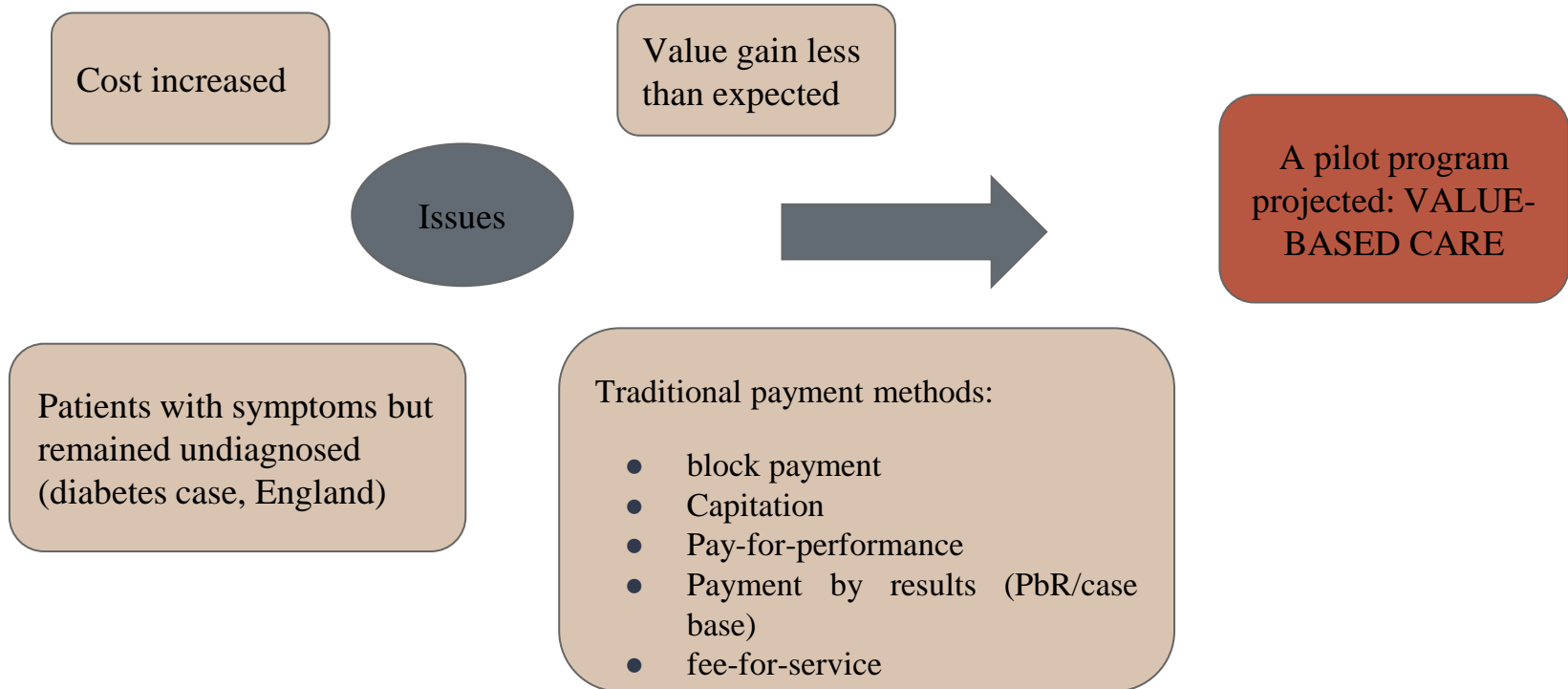


Reorganizing Health Care Delivery Through a Value Based Approach

A large, dark blue, diagonal shape that starts from the bottom left and extends towards the top right, covering the lower half of the slide.

Overview of the Case



Overview of the Case

- “Value” term: how much money is spent on a service compared to how many outcomes are achieved
- Value-based care = outcomes-based care:
 - reimburse providers efficiently + improve the value of services
 - Core: focus on early intervention, prevention, and recovery (early stage is always better than later)
 - Outcome = criterion: patients are center and treated holistically.
- Led by Camden Clinical Commissioning Group (CCG): planned in 3 phases

Description of Scale

1/17 individuals: diagnosed or undiagnosed with diabetes symptoms

£10 billion (10% of the total national budget) for diabetes care annually

Estimate 30% increase (by 2025)

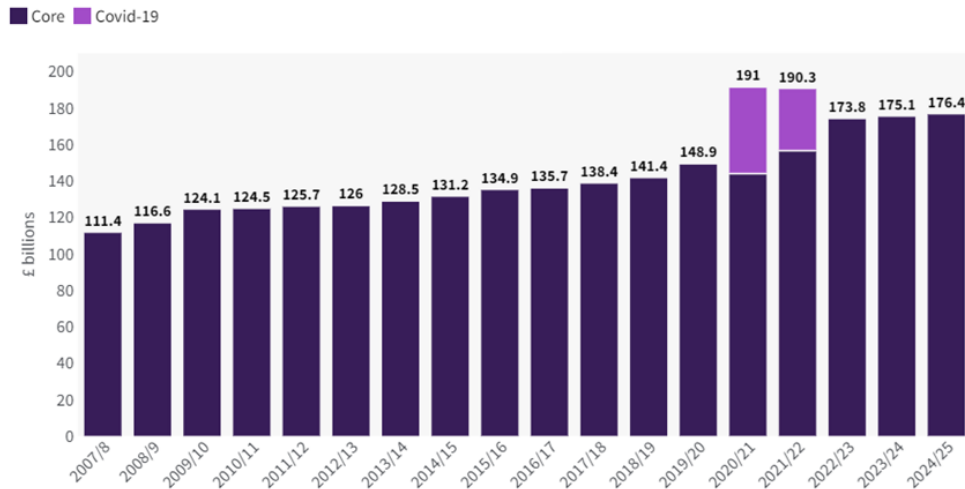


£33.8 billion additional increased (because of Covid-19)

Description of Scale (Cont)

Department of Health and Social Care spending

Real terms in 2021/22 prices, England



Source: [The King's Fund analysis of HM Treasury data](#) • 2019/20 spending includes £620 million of Covid-19 related NHS spending, which was funded from within existing budgets that year. Direct Covid-19 spending from 2022/23 onwards has not been separately identified yet.

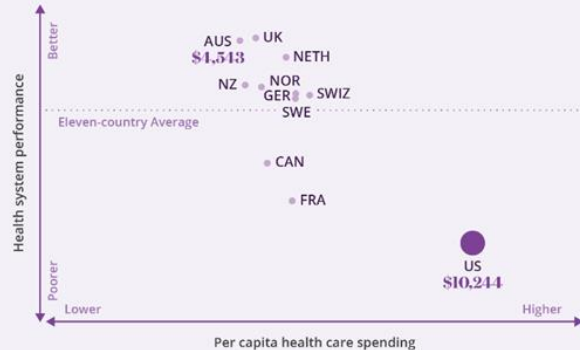
TheKingsFund

England planned to cut of the funding to healthcare, in fact, funded an additional £33.8 billion to combat the Covid-19 pandemic.

Description of Scale (Cont)

We spend too much, and we get too little.

The U.S. spends the most on health care, but has the worst outcomes and highest disease burden among developed nations.^{[3][4]}



- The dreary picture applied to the US healthcare
- Paid highest but gain least in developed countries
 - ⇒ US is researching on Value-based commission

Description of Problem

- England government is looking for a change in the existing healthcare and payments system
- Looking to implement a value-based and outcome-based approach to healthcare
- Value Based Care Issues:
 - Resistance of users
 - Risk to organizations
 - Clinical risks for providers
 - Hesitancy to change for various departments



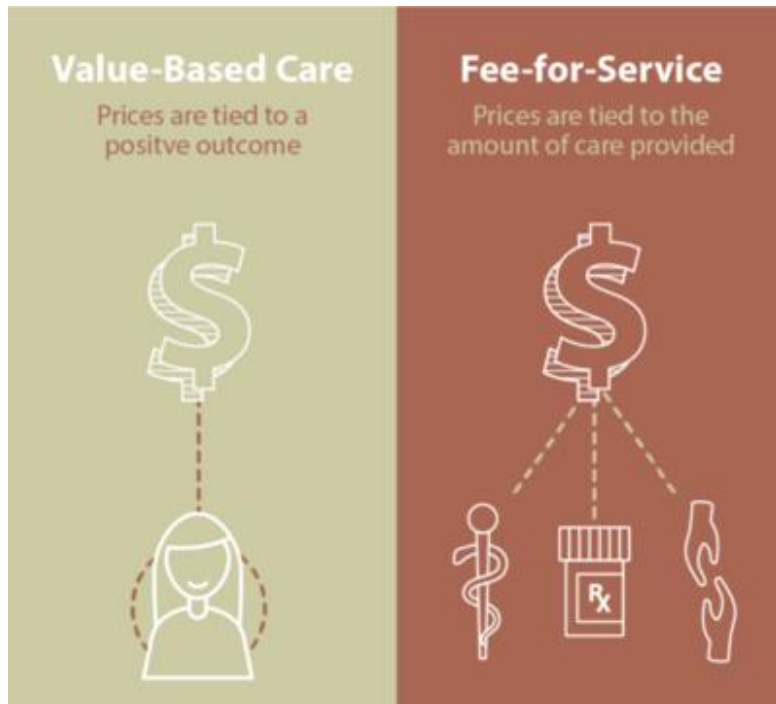
Description of Problem

- Final agenda would be to arrive how we could reorganize health care delivery through value-based approaches such that the NHS commission in England and the patients or the population that is being targeted would benefit.
- New system that is to be implemented must lead to better patient outcomes and coordinate well with the incentives.

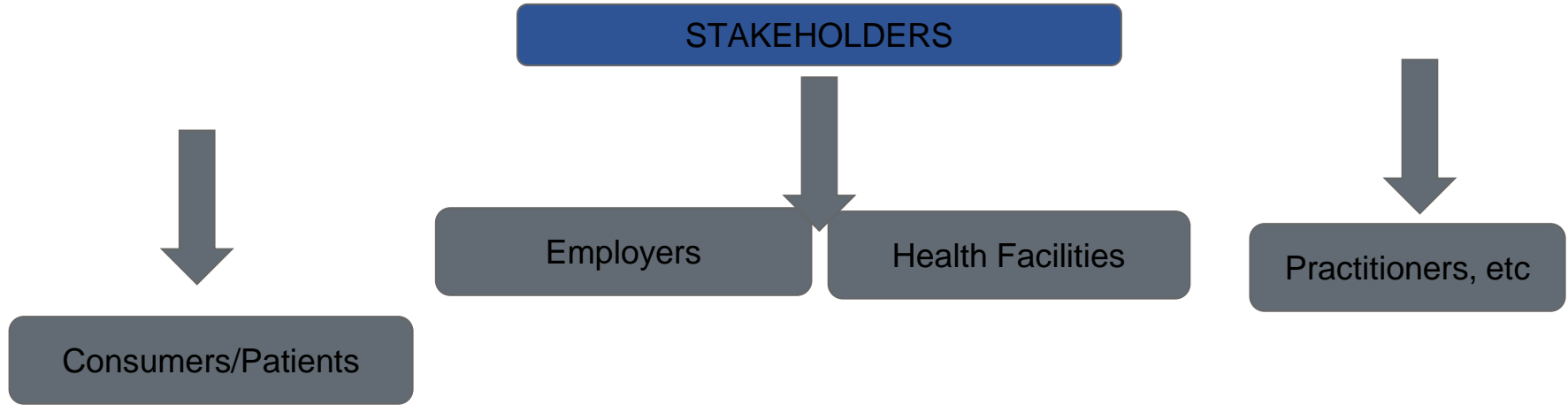


Value Based Care

- The only true measures of quality: **the outcomes that matter to patients.**
- Outcomes are **a strong tool** to increase transparency and doctors' satisfaction, not simply that of patients (and owners).
- **Cost reduction and value enhancement** are both strongly influenced by outcome improvement.



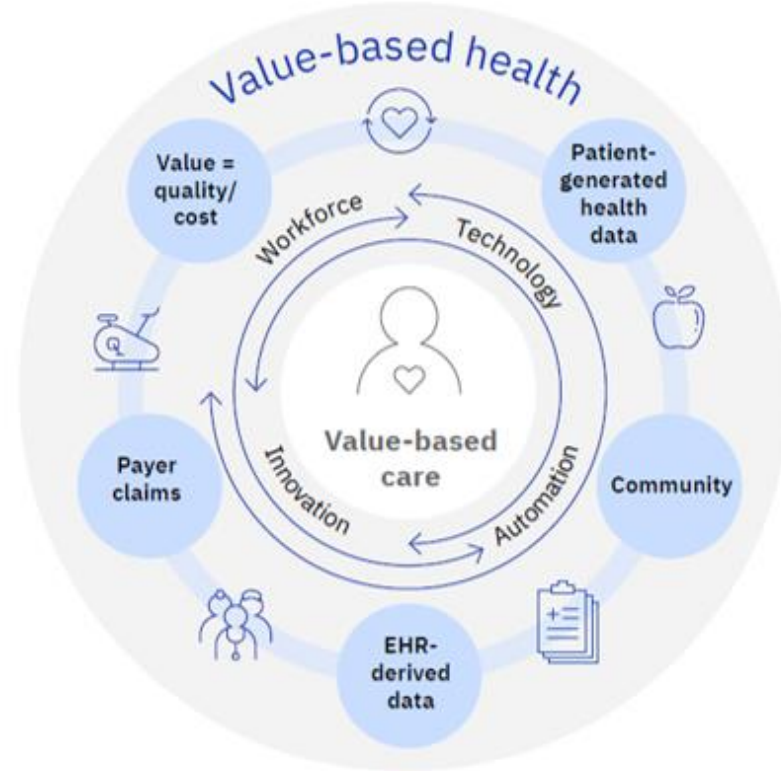
Value Based Care



- Providers' perspectives: cost-saving program (value-based care) are untrustworthy. The reasons stated that the plan makers were more focusing on cutting costs than needed services that were asked for patients.
- Patients' perspective/consumers: The most worrying from patients is not the quality of services even their doctors are not as high quality but the cost.

Goals of the problem

- Design a process to focus on improvement of the current system and health.
- Provide outcomes that align with the perspective of healthcare providers, quality care and cost efficient.
- Ensure teams internally or externally are providing quality care.
- Find the costs related to every patient and service provided along with the efficiency/outcome and to validate if the prices/payments would cover or are worth covering the treatment plan.
- Create an integrated approach or pathway which improves care and cuts most of the spending.



Goals of the problem

- To know what kind of commissioning works for an organization or clinical practitioner
- Form a value-based care operational model that must be used by clinicians, health care organizations
- Bundling different care providers to treat diabetes ensuring patient-centered care outcomes
- Comply with the policies and guidelines enforced by the government
- Forming an agreement or contract model



A diagram illustrating the relationship between a goal and its objectives. At the top is a large dark blue rounded rectangle labeled 'Goal'. Below it are three smaller teal rounded rectangles, each labeled 'Objective', arranged horizontally. This visualizes that a single goal can be broken down into multiple specific objectives.

Goal

Objective

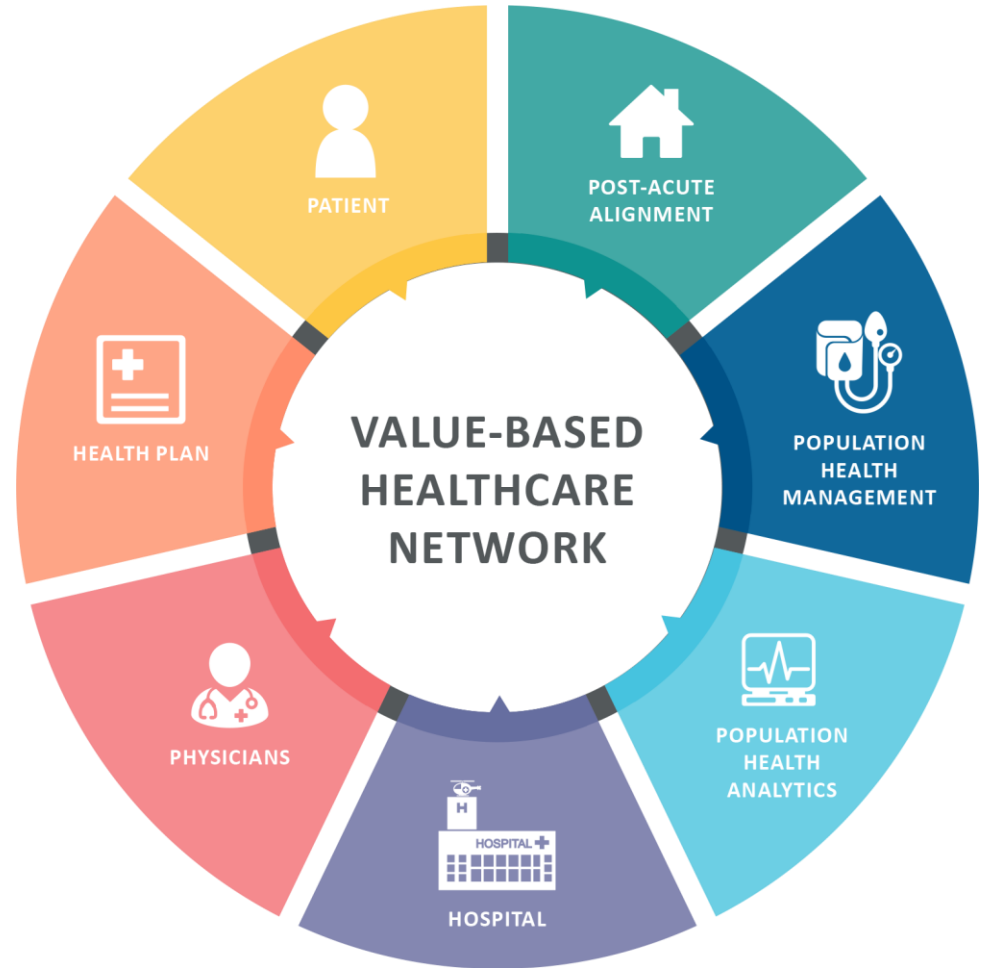
Objective

Objective

Health Care Informatics Relevancy

The applications of healthcare analytics contribute to solutions in the following ways:

- By using data to identify areas for improvement, create strategies for cost cutting, and improve patient safety.
- By providing insights into the effectiveness of care delivery, and identify areas to improve patient outcomes by analyzing patient data.
- Pinpointing areas with a higher likelihood of unfavorable events or outcomes, healthcare professionals can manage patient care and reduce the possibility of unfavorable outcomes.
- Identifying patient population patterns and places where changes can improve population health by analyzing patient data.



Health Care Informatics Relevancy

It is true that using analytics or health information technology improperly can lead to issues. Some of them are:

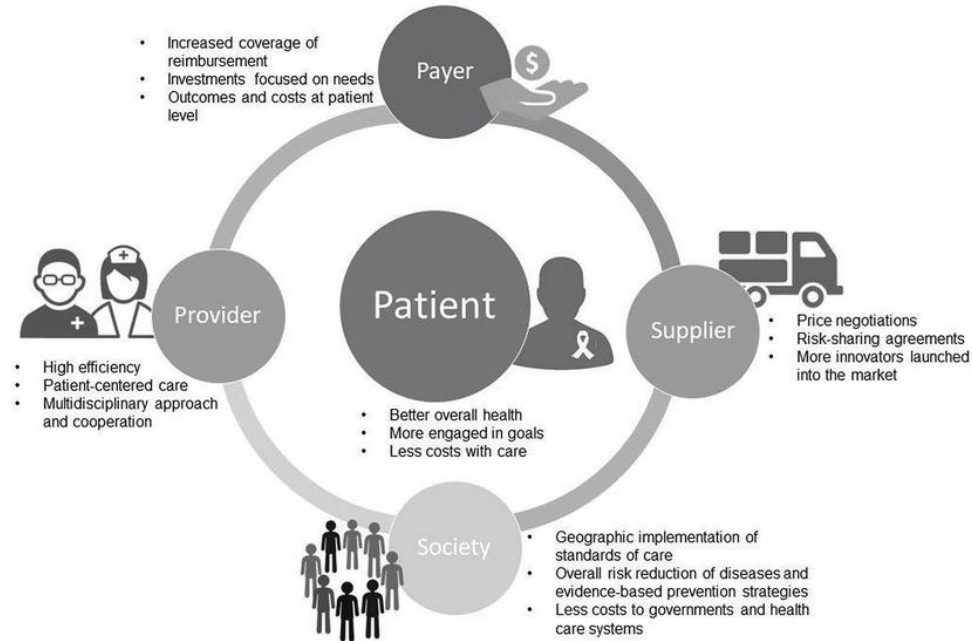
- Healthcare practitioners might not be able to access, evaluate, and act on patient data.
- Lead to incomplete or erroneous information due to incorrect data collection and processing.
- Higher costs and worse patient outcomes.
- Inaccuracies in data collection and analysis.
- Missed opportunities to improve patient outcomes.



Health Care Informatics Relevancy

Ways to improve the challenges:

- Adopting processes and practices that ensure data is gathered and processed quickly.
- Make sure they have the equipment and procedures required to appropriately evaluate patient data.
- Have a thorough system in place for gathering, analyzing, and acting on patient data.
- Have the staff and resources needed to retain patient data and carry out procedures to improve patient outcomes



Effects

Positive

- Great improvement for quality
- More patient feedback
- Decreases costs because there may not be as many tests being performed
- Focuses more on proactive care to manage chronic illness
- Patient engagement increases between patients and providers

Negative

- Could dismantle organization operations
- Need sufficient data analytics to perform VBC efficiently
- Can lead to decrease in incentives for providers and healthcare entities
- inefficient operations due to high volume
- Provides greater risk for providers
- Financial risk for providers

Goals Assessment

Goals	Aim of the goal	Current Status	GOAL MET OR NOT
Focus on improvement of the current system and health	Incompatible with transforming changes towards reorganizing health care services	Will not sustain as we would need a new design	No
Provide outcomes that align with the perspective of healthcare providers, quality care and cost efficient	An important goal towards achieving value-based healthcare as It ensures that quality care is delivered to a patient while it is cost efficient to the provider	Based on results rather than the quantity of treatments performed, the number of patients seen, or the amount of money billed, so that hospitals and doctors are compensated appropriately	Yes
Ensure teams internally or externally are providing quality care	Basic component towards achieving our result and it does not need to be viewed as a goal	Reducing hospital readmissions, using certified health IT, improving preventative care and value-based care programs resulted in providing quality care internally and externally	Yes

Goals Assessment

Goals	Aim of the goal	Current Status	GOAL MET OR NOT
Find the costs towards each patient and service with its price efficiency	Would play a significant role in helping the government in annual budgeting for healthcare as this would estimate the costs related to the patient services and also useful to the clinicians in advanced analytics and process improvement	<ul style="list-style-type: none">• Would play a significant role in helping the government in annual budgeting for healthcare as this would estimate the costs related to the patient services.• useful to the clinicians in advanced analytics and process improvement	Yes
Provide outcomes that align with the perspective of healthcare providers, quality care and cost efficient	An important goal towards achieving value-based healthcare as It ensures that quality care is delivered to a patient while it is cost efficient to the provider	Based on results rather than the quantity of treatments performed, the number of patients seen, or the amount of money billed, so that hospitals and doctors are compensated appropriately	Yes
Create an integrated approach or pathway which improves care and cuts most of the spending	Observe that all the parties involved are not affected financially or at financial risk by cutting costs/spending	Ultimately result in cheaper healthcare expenditures in the long run by prioritizing preventative actions	Yes

Goals Assessment

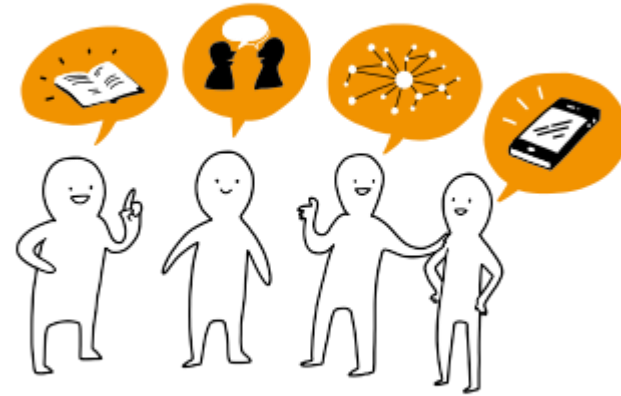
Goals	Aim of the goal	Current Status	GOAL MET OR NOT
To know what kind of commissioning works for an organization or clinical practitioner	Commissioning and delivering integrated care in a structured model is to ensure effective delivery of services, clear roles and responsibilities and a system of care to support self-management and effective outcomes	Reviews the payments system to the provider. Our goal is to achieve the best commissioning model and to see if it is preferred by the provider.	Yes
Comply with the policies and guidelines enforced by the government	Have systems in place to distribute policy documents to staff and organizations under their control and to monitor compliance	Check if all the requirements are met and necessary changes have to be made in the future if it does not match or agree with a policy	Yes
Forming an agreement or contract model	Crucial role in overcoming challenges, such as alignment of stakeholder incentives, insufficient data infrastructure, and regulatory concerns	By creating a contract like VBA, payers will be less financially risky when introducing new innovations, overcoming a weak data infrastructure . Regulatory issue related to data sharing, infrastructure.	Yes

Case Study Recommendations

- We would recommend the Governing Body endorse this Business Case, in particular the following:
- Patients in this cohort should be able to access IPU services throughout Haringey and Islington, as well as continued collaboration between Haringey and Islington CCGs.
- To move on with the tasks necessary to advance Value Based Commissioning for patients with diabetes in Haringey and Islington in accordance. This will involve establishing new contractual obligations to help VBC.
- The Governing Body will be requested to give its approval when a provider is chosen to play a leadership role in this work.

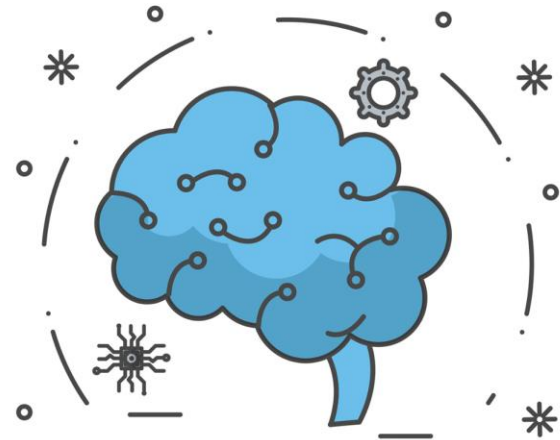
Recommendations to Improve the Value Based Healthcare System

- Adopt a common terminology so that every person involved in healthcare has a shared understanding of what value-based healthcare is
- Recognize and develop strategies to overcome barriers to implementing value-based healthcare at the individual, team and organisational level.
- Translate and implement the best available research evidence into effective action to increase value



Recommendations to Improve the Value Based Healthcare System

- Training staff in how to measure outcomes, patient experience and resource use
- Ensure programs to increase value are monitored and evaluated to provide better evidence about what is and isn't effective
- Facilitate better communication and dissemination about what works in increasing value at a local and national level



Recommendations

Recommendations to Improve Other Chronic Diseases

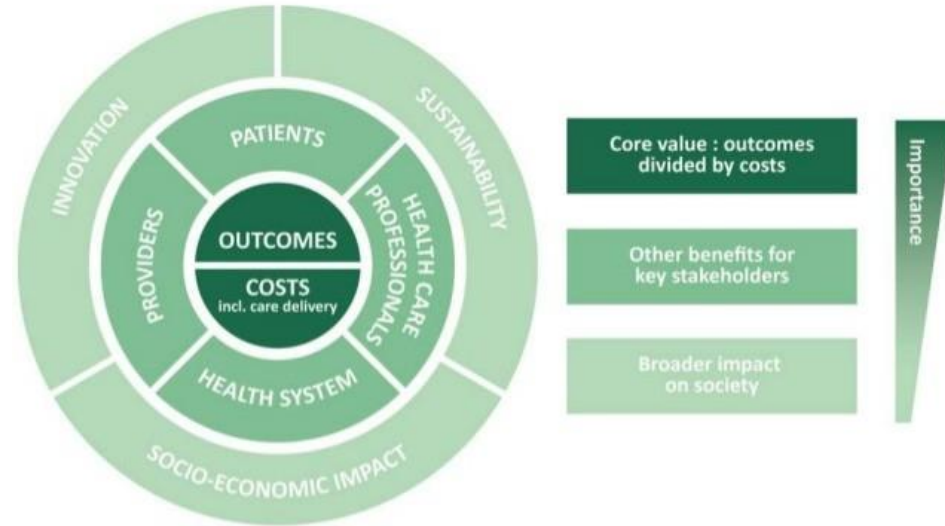
- Original case study catered to the diabetics
- Few aspects missing from diabetes plan
 - Did not implement healthcare technology and systems to view data on how to improve quality
 - Did not give providers and caregivers time to adapt to changes
- Recommendation plan improves the diabetes plan and allows it to be implemented for many chronic diseases
- Important for VBC to be used in acute illness because
 - VBC provides quality to these patients who constantly need healthcare
 - VBC creates precedents so providers have a set plan of how to treat these illness and
 - Providers physicians with framework to adapt to increase quality in the future
 - Can focus more on prevention of an acute disease by using data analytics from previous cases that have gone through care in a VBC system

Recommendations

RECOMMENDATIONS FOR CLINICAL COMMISSIONING GROUPS(CCGs):

1. Recognition of the need for integrated care for people with long term conditions
2. Recognize the scale of the problem for diabetes, complexities and those at risk
3. Foster and support good leadership
4. Re-think funding systems so that true collaboration and integration can take place
5. Work with health and wellbeing boards
6. Design systems with end-users in mind
7. Identify key outcomes that capture the essence of integrated care
8. Enhancing capacity and competency in primary and community care
9. Highlight new research findings and support transition to clinical care

Smart Procurement Software Tool



 **MedTech Europe**
from diagnosis to cure

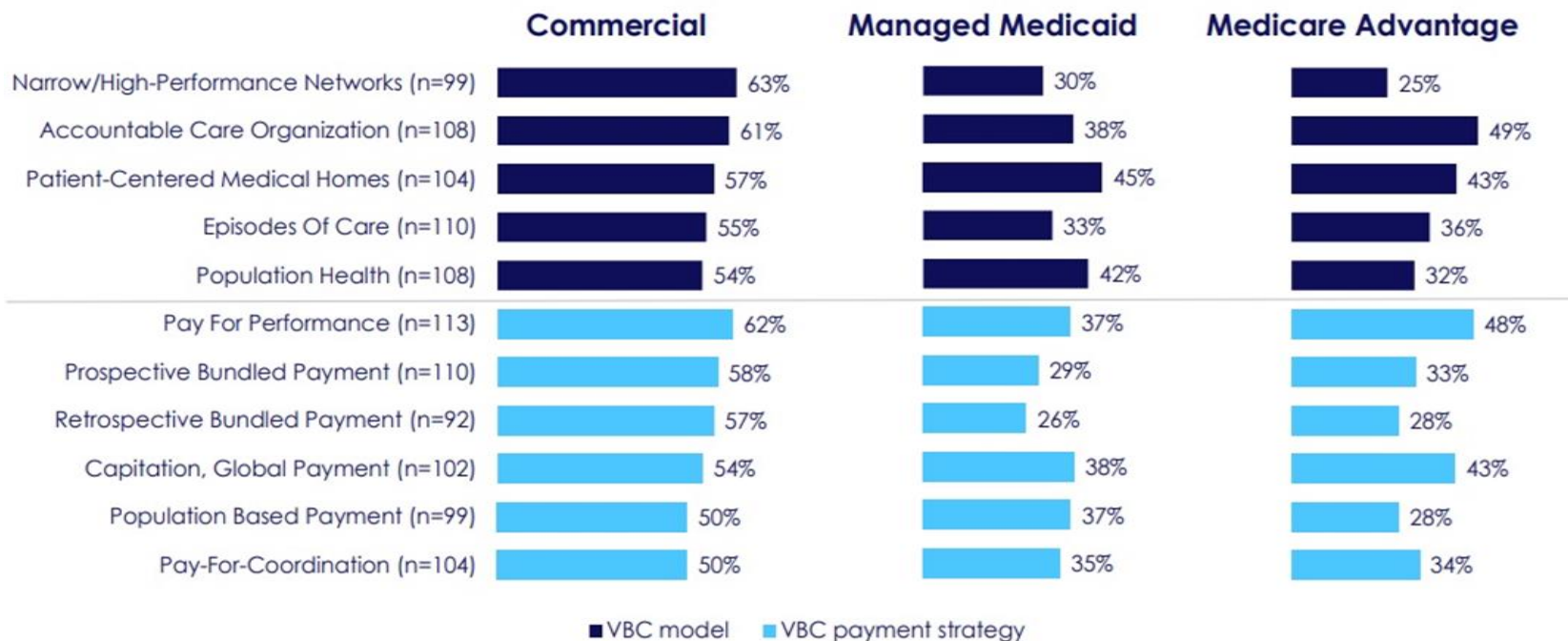
BCG
THE BORTON CONSULTING GROUP

Recommendations

VBC PRICE ESTIMATE:

Value based care reduces costs by 5.6% improving quality of car

Value-Based Care Models and Payment Strategies by Line of Business



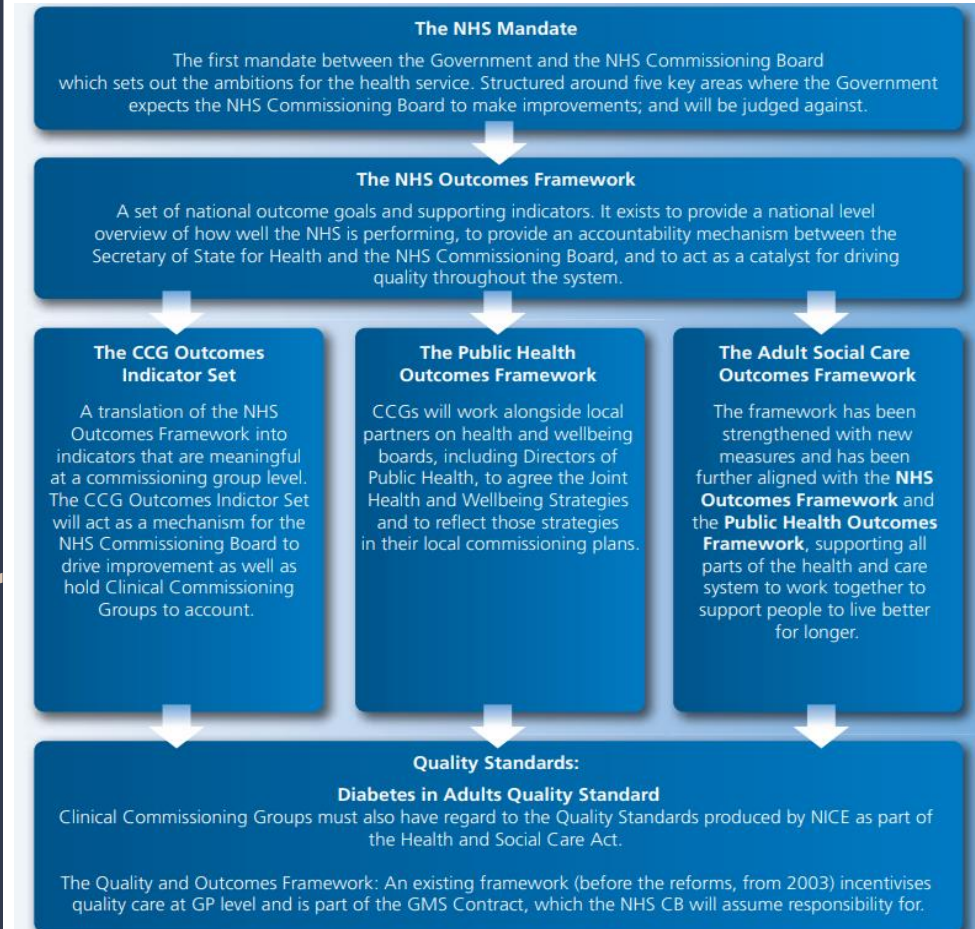
Our Recommendations

RISK ASSESSMENT

- Lack of resources
- Technology interoperability challenges
- Financial risk and unpredictable revenue streams
- Shifting policies and regulations
- Difficulty collecting and reporting patient information



WHAT CCGs MUST DO :COMMISSIONING FOR OUTCOMES



COSTS



Diabetes cost approximately £ 23.7bn in the UK in 2010/2011: £ 9.8bn in direct costs (£1bn for Type 1 diabetes and £ 8.8bn for Type 2 diabetes) and £ 13.9bn in indirect costs (£ 0.9bn and £ 13bn).

In real terms, the 2035/2036 cost is estimated at £ 39.8bn: £ 16.9bn in direct costs (£ 1.8bn for Type 1 diabetes and £ 15.1bn for Type 2 diabetes) and £ 22.9bn in indirect costs (£ 2.4bn and £ 20.5bn).

Sensitivity analysis applied to the direct costs produced a range of costs: between £ 7.9bn and £ 11.7bn in 2010/2011 and between £ 13.8bn and £20bn in 2035/2036.

Diabetes currently accounts for approximately 10% of the total health resource expenditure and is projected to account for around 17% in 2035/2036.

Q1: Why implement value-based care? Is there a need to monitor outcomes across the integrated practice unit (IPU) and modify provider contracts?

- Why Implement Value Based Care (VBC)
 - healthcare previously based on the inputs and money spent on achieving health outcomes
 - implementing VBC provides patients with emphasis on the quality of care and shifts how patient care is administered
 - cuts costs because looking at improved outcomes rather than inputs may decrease the amount of unnecessary testing, lab work or incorrect diagnosis
- Need to monitor IPUs because:
 - provides collaborative discussion amongst an array of healthcare professionals
 - helps increase the quality since there is integrated care
 - provides direct data showing the correlation of having integrated care on the quality of care versus not having these IPU's
- Based on this statistical data, the system can further go and modify provider contracts depending on how well they are collaborating and what their patient outcomes are.

Q2: Value-based commissioning is a very new proposition in the health system. How is it different from earlier initiatives in the areas of patient safety, quality management, or patient flow optimization?

- VBC is very different from earlier initiatives
 - previous years mainly focused on fee for service
 - Fee for service = correlating patient care to how many procedures were done and the cost of those procedures in order to solve the problem
- VBC focuses on the way that this journey happens and what steps can be taken in order to improve the quality of care given
- A few aspects that they differ in:
 - Increase in terms of quality with VBC
 - Increase in safety because physicians are more careful of the outcomes for patients
 - Financial incentive for physicians if there is increase in safety and accuracy
 - Possible decrease in patient flow optimization because VBC leads to increase in patient volume
 - operations can get quite confusing with a greater volume

Q3: If you were a physician, how comfortable would you be signing a contract where a portion of your income is tied to the performance of other physicians in the value chain?

- Something that physicians can struggle with because it is a very different method in comparison to past income forms
- Having their revenue tied to other physicians can cause many issues amongst physicians and disrupt the integration workflow
- If we were to be physicians, we would feel conflicted by signing this contract as it creates a great amount of risk within our profession
- an uncomfortable feeling to know that another physician's mistakes or lack of care in terms of quality can affect my income
- However, VBC provides a framework for providing the best possible care for the patient and focusing on their quality of care. As a physician we would be able to sign the contract knowing that in the future it will have higher reward with quality and financial revenue.