

Researchers' Breakfast

VALUE BASED HEALTH CARE

From theory to practical implementation

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RĪGAS STRADIŅA
UNIVERSITĀTE

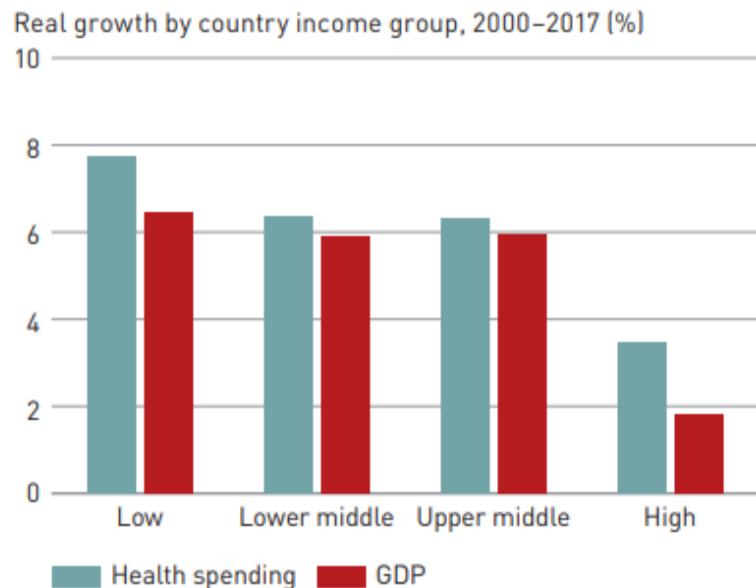
VITA BREVIS ARS LONGA

The aim of the discussion

- to raise awareness of the VBHC concept
- to understand the implementation of VBHC at national and program levels
- to get acquainted with the assessment of the situation in Latvia in the readiness to implement VBHC
- to get acquainted with the experience of other countries in the implementation of VBHC

Global challenges for health systems

Health spending is growing faster than GDP, but the achieved value is questionable



Source: WHO, 2019

High and constantly rising costs

Excessive demand for HC services

Diagnostic and treatment errors

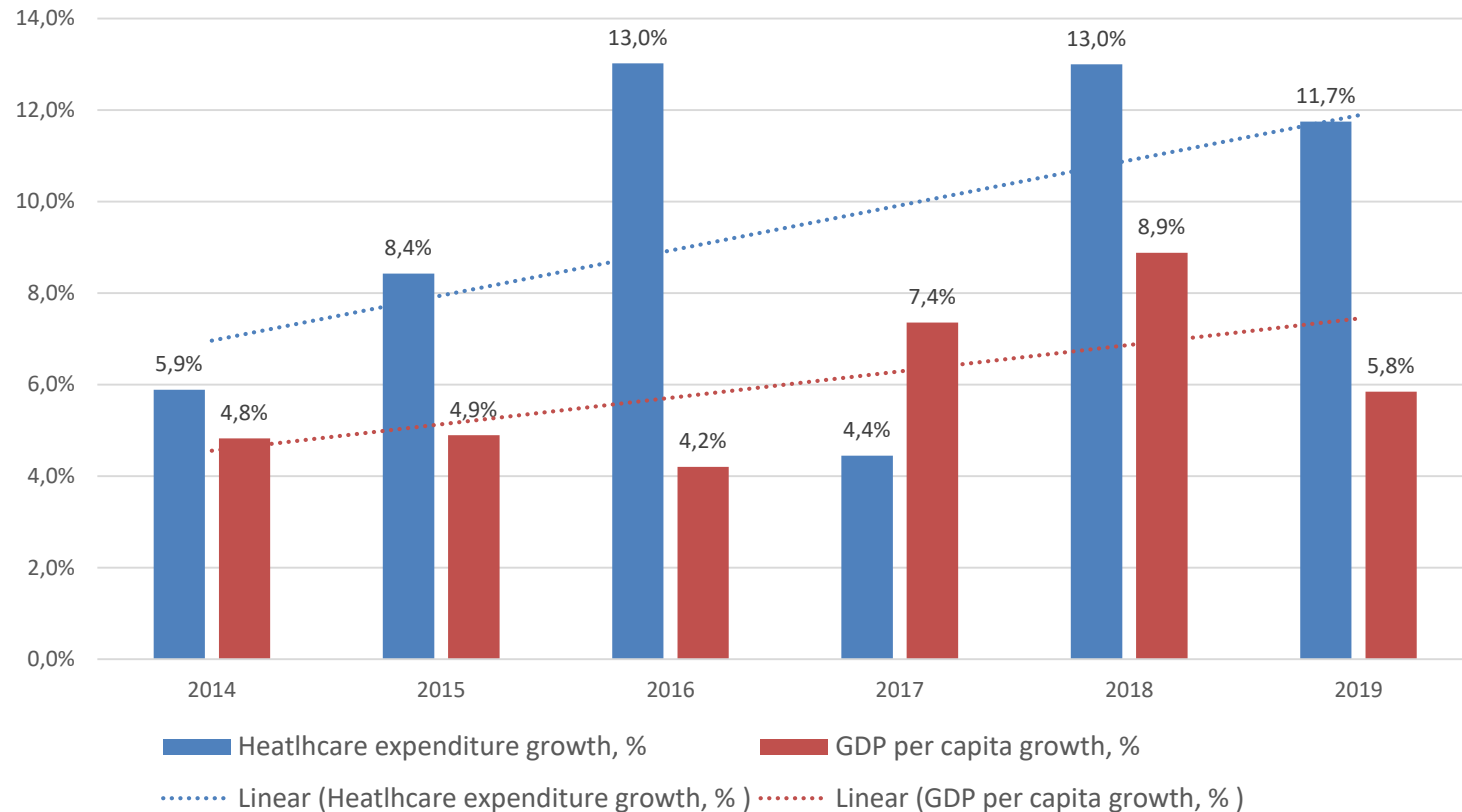
Insufficient preventive measures

Significant differences in the quality and cost of HC services

Slow entry of innovations into everyday medical practice

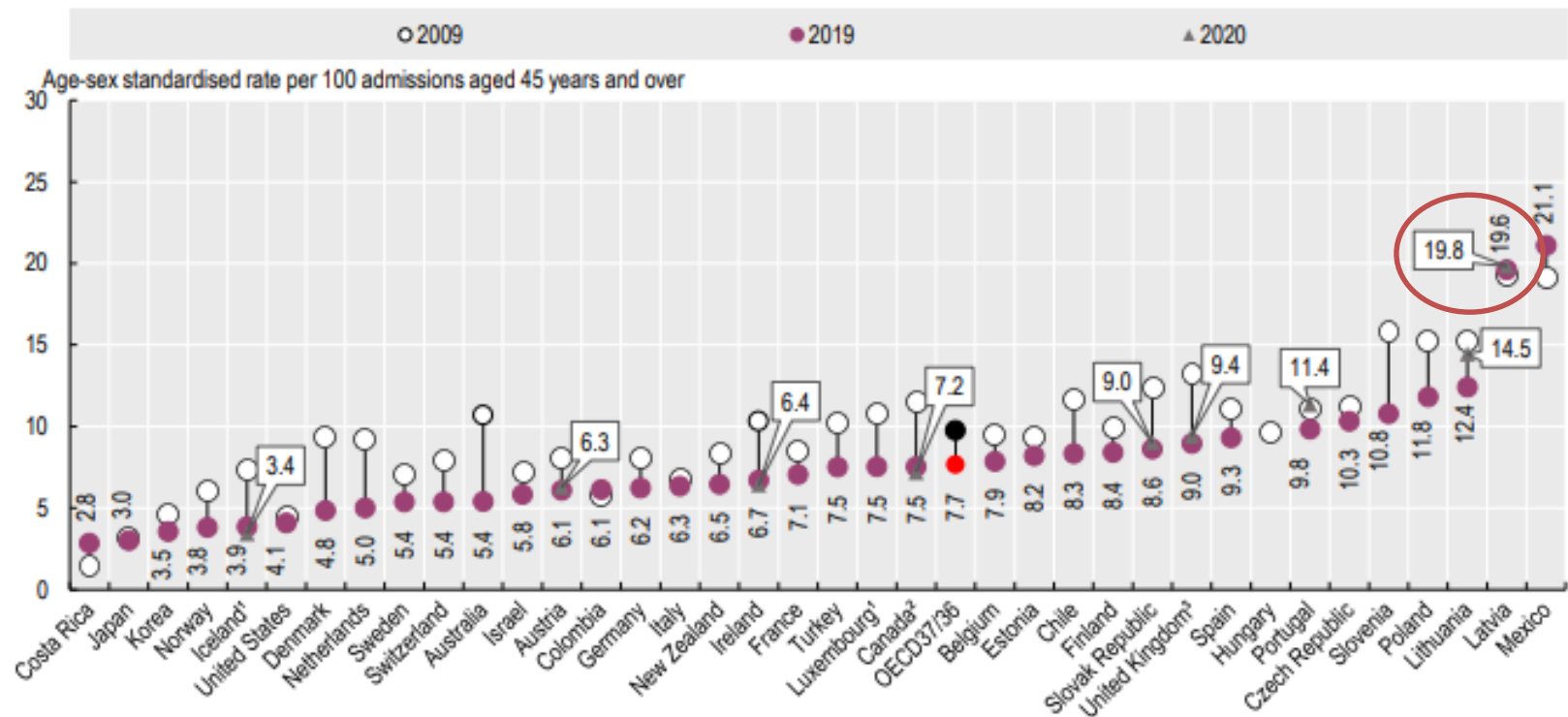
Limited competition between service providers

Health care spending and GDP growth rate, % Latvia



Differences in 30-day mortality after stroke, OECD countries

Figure 6.17. Thirty-day mortality after admission to hospital for ischaemic stroke based on unlinked data, 2009, 2019 (or nearest year) and 2020



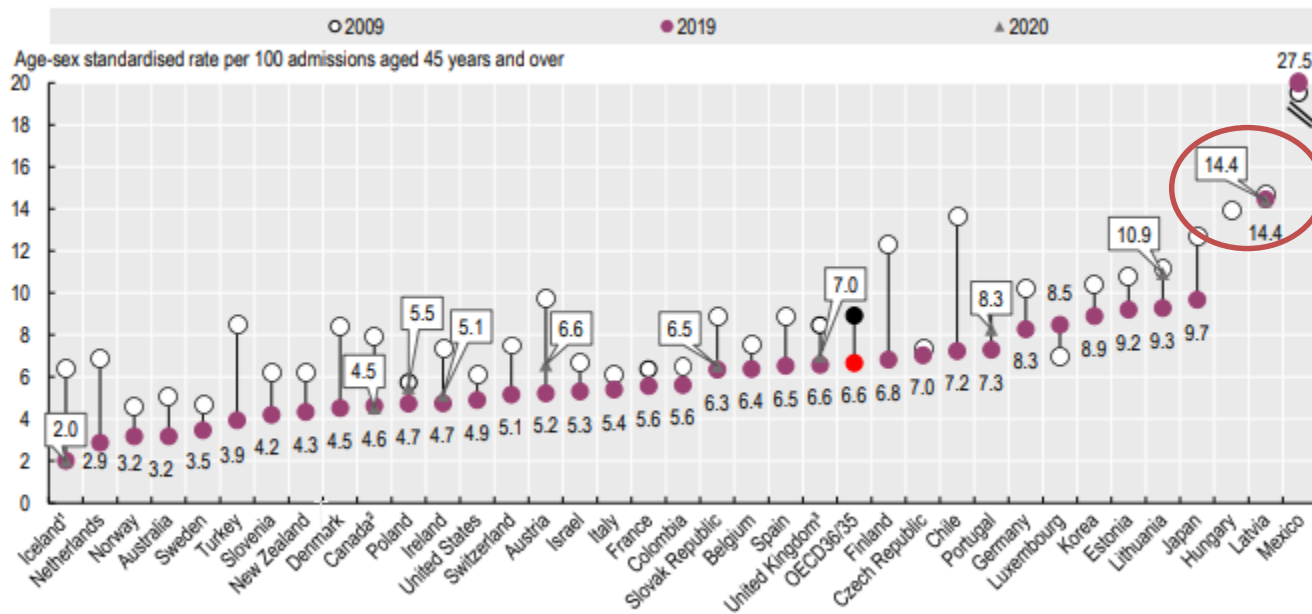
1. Three-year average for all years except 2020. 2. 2020 estimate based on provisional 1 April to 30 September data from all jurisdictions except Quebec. 3. 2020 data are provisional and include England only.

Source: OECD Health Statistics 2021.

StatLink <https://stat.link/ejvjob>

Differences in 30-day mortality after hospitalization with acute myocardial infarction, OECD countries

Figure 6.15. Thirty-day mortality after admission to hospital for acute myocardial infarction based on unlinked data, 2009, 2019 (or nearest year) and 2020

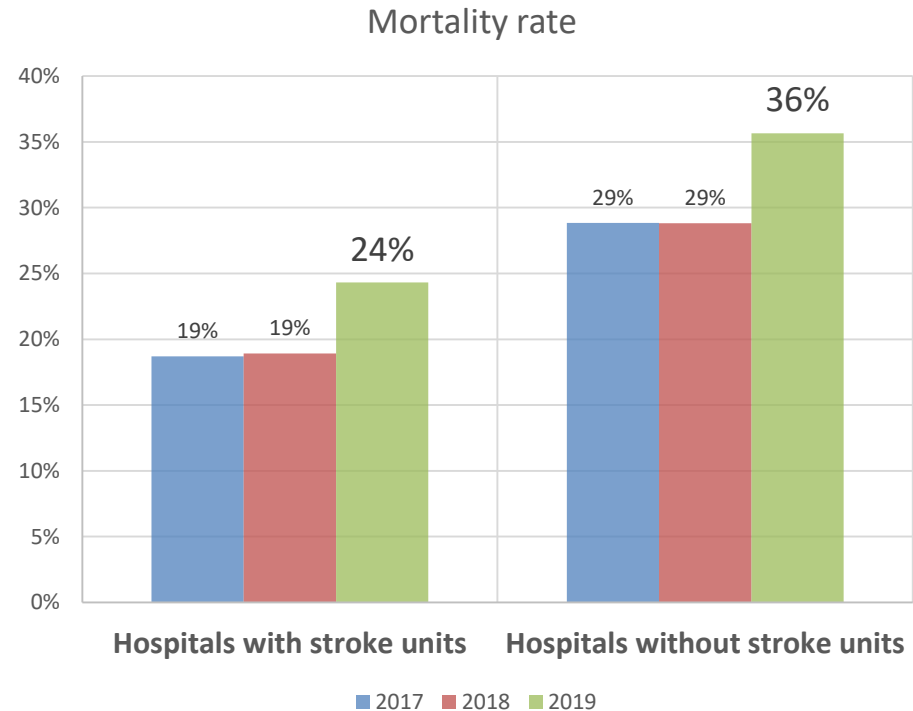


1. Three-year average for all years except 2020. 2. 2020 estimate based on provisional 1 April to 30 September data from all jurisdictions except Quebec. 3. 2020 data are provisional and include England only.
Source: OECD Health Statistics 2021.

Differences in 30-day mortality after stroke, hospitals, Latvia

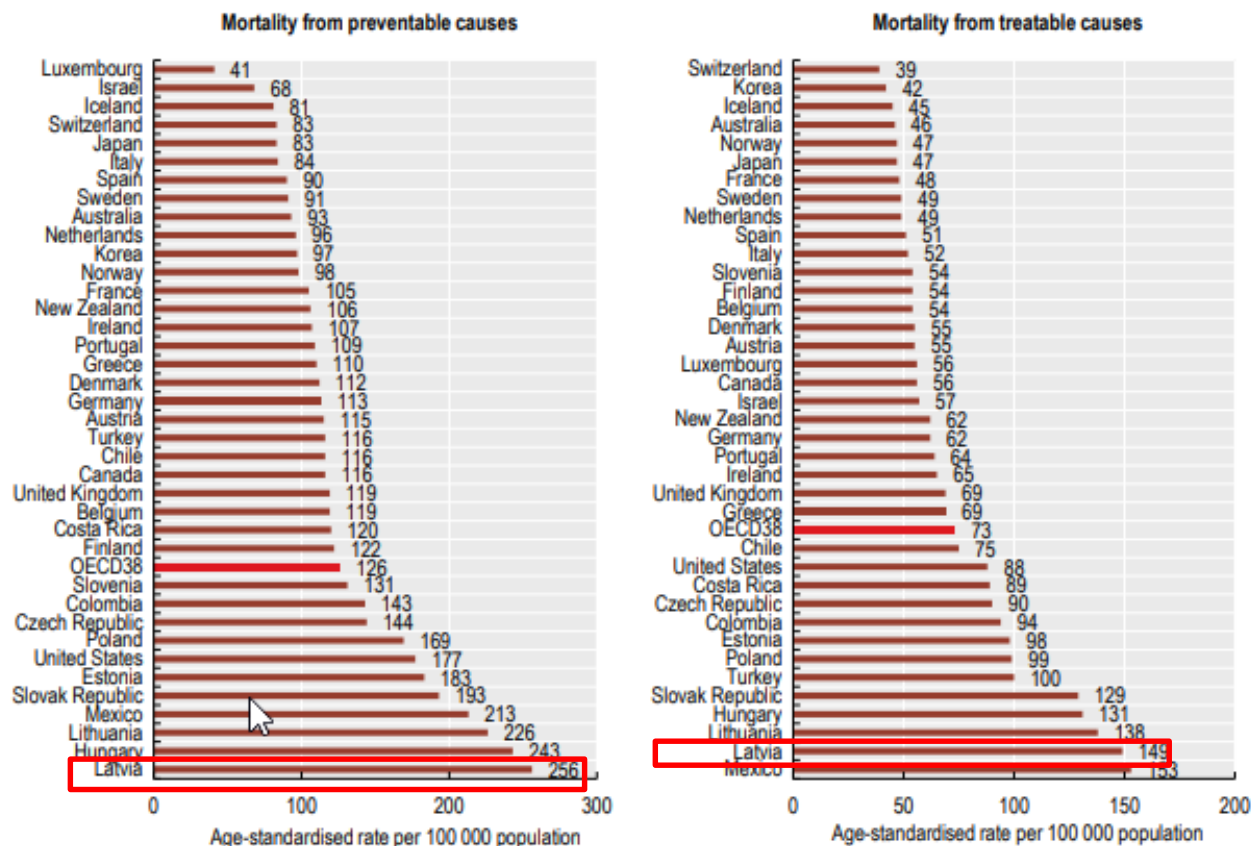
Mortality rate in hospitals **with stroke unit** is 24%, in range from 9,2% to 38,9%.

without stroke unit is 36% (1,38 times higher), in range from 16,5% to 66,7%



Mortality rate from avoidable causes remains the highest among OECD countries

Figure 3.10. Mortality rates from avoidable causes, 2019



Source: OECD Health Statistics 2021.

StatLink <https://stat.link/cmyjfg>

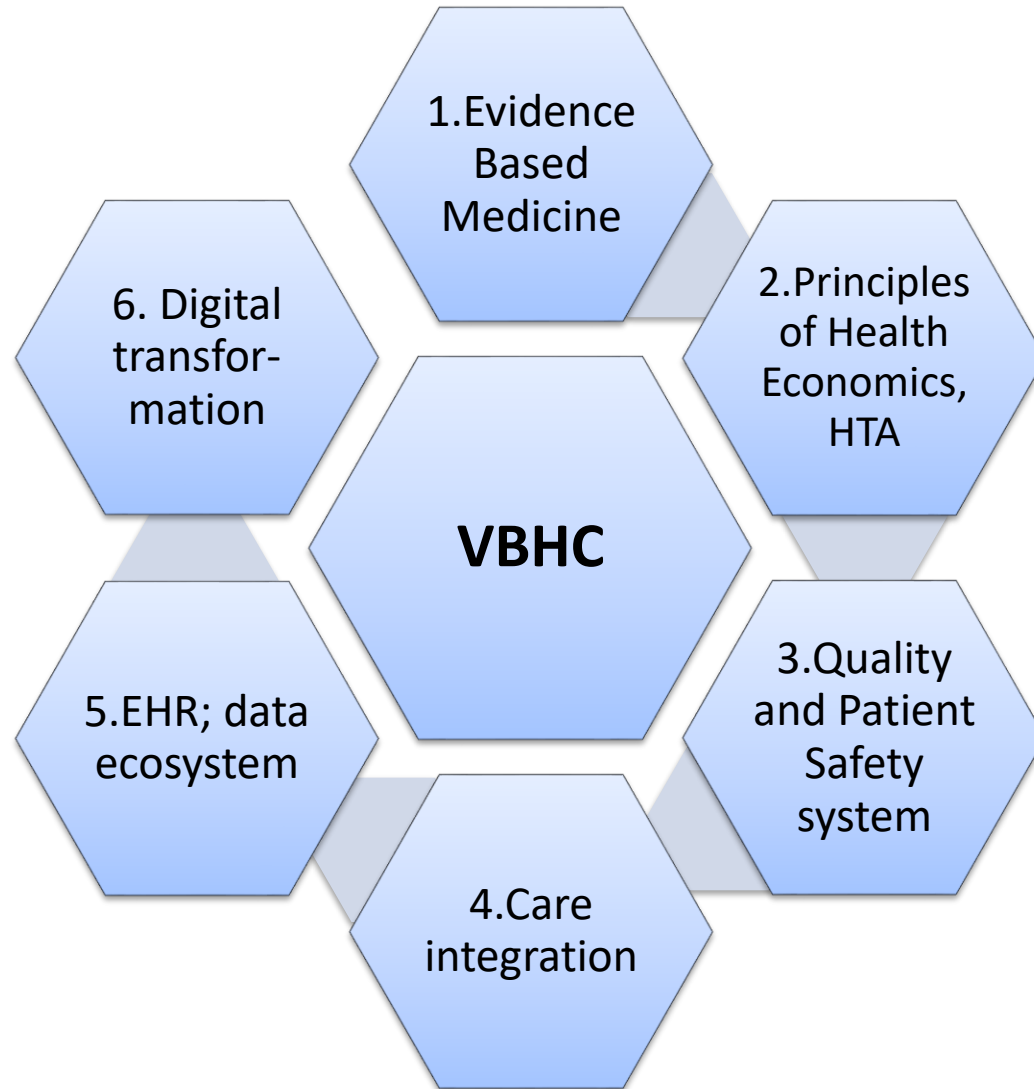
There is great pressure on health care systems to create more efficient and sustainable models able to deliver real value for the patients with optimized cost

Definitions of Value Based Health Care (VBHC)

- **Health care delivery model** in which providers are paid on the basis of a patient 's health outcomes;
- **Health care delivery system** that encourages healthcare providers to focus on the quality rather than the quantity of services provided;
- **A healthcare approach** to improve quality and patient outcomes while lowering costs
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In Latvian: "**Vērtībās balstīta veselības aprūpe**" ir veselības aprūpes pakalpojumu sniegšanas/organizēšanas modelis ar mērķi uzlabot katra pacienta veselības rezultātus, ievērojot pacienta personīgos mērķus, samaksu par kvantitāti aizvietojo ar samaksu par rezultātu un kvalitāti, tādējādi nodrošinot izmaksu kontroli un taisnīgu ierobežoto resursu sadalījumu visām pacientu grupām".

Evolution of the VBHC concept



The components of a comprehensive health care quality system greatly facilitate VBHC

- Healthcare standards and guidelines
- Internal and external care quality monitoring
- Certification of medical activity
- Accreditation of medical institutions
- Health technology assessment
- Protection and promotion of patients' rights
- Reporting system for medical errors and accidents
- Existence of a medical risk fund
- Monitoring the performance of medical institutions, etc.

Assessment of Latvian health care readiness for VBHC implementation, November-December 2021

Methodology: focus group discussions and health policy analysis

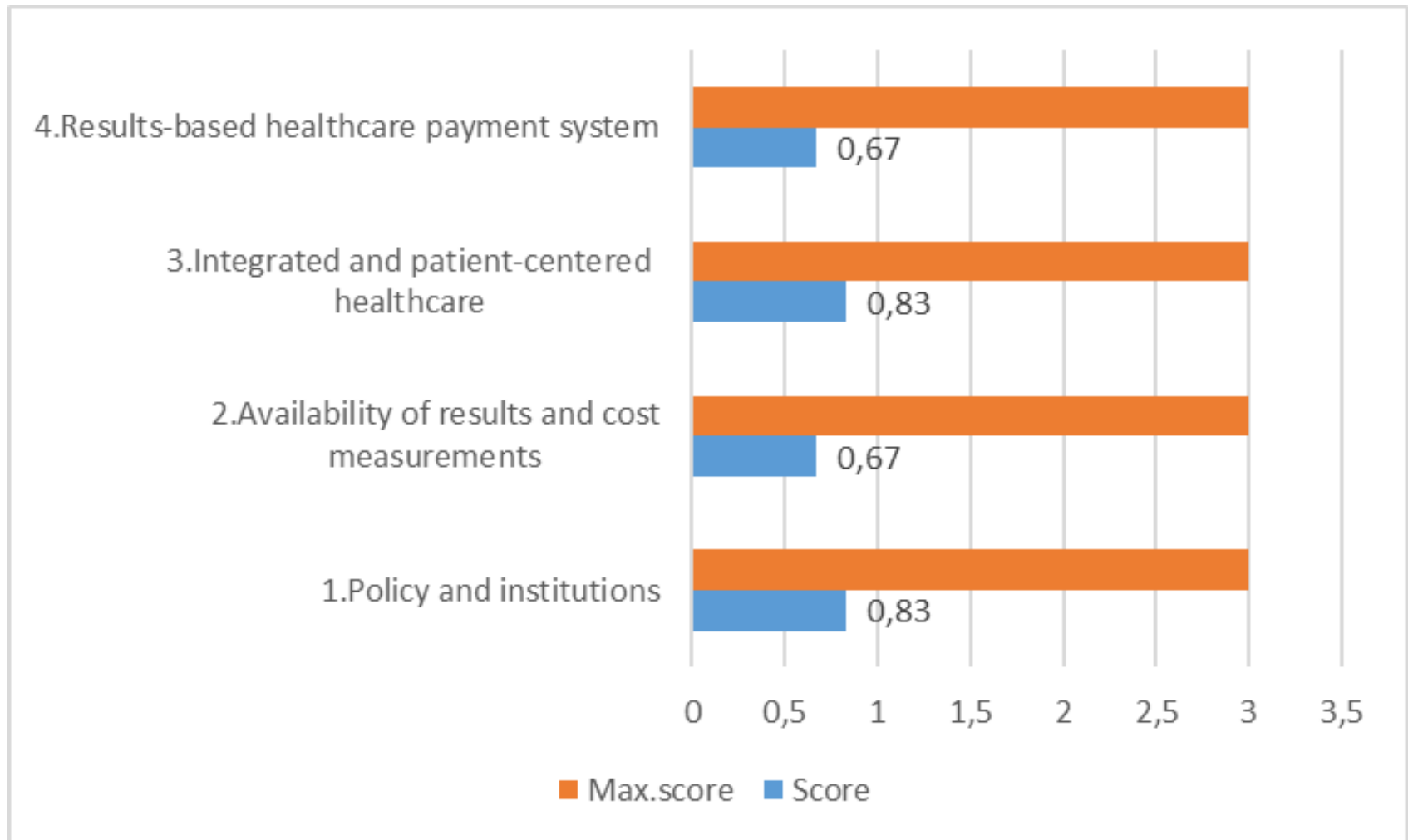
Assessment framework: scientifically justified VBHC evaluation methodology: 4 dimensions and 17 indicators

- (1) Political and institutional readiness to implement VBHC;**
- (2) Availability of results and cost measurements;**
- (3) Integrated and patient-centered healthcare approach;**
- (4) Results-based healthcare payment system.**

Assessment: 1) Each indicator was scored according to its implementation level (0-1-2-3), 2) for each dimension, the performance indicator was calculated based on the average score of the indicators

Source: The Economist Intelligence Unit Limited (2016). Value-based healthcare: A global assessment Findings and methodology, available: https://impact.econasia.com/perspectives/perspectives/sites/default/files/EIU_Medtronic_Findings-and-Methodology_1.pdf

Assessment results: Latvian health care readiness for VBHC, national level



Study conclusions: prerequisites for implementation of VBVA at national level

- Political will, re-design of health policy, development of a strategic plan
- Development of technologically advanced and interoperable e-Health system for data generation
- Integration of clinical care, overcoming silos, patient-centered approach
- New forms of partnerships: patients, researchers, providers, payers and IT companies focusing on the generation and processing of care outcome and cost data
- Investment planning and redirection in support of VBHC strategic direction initiatives

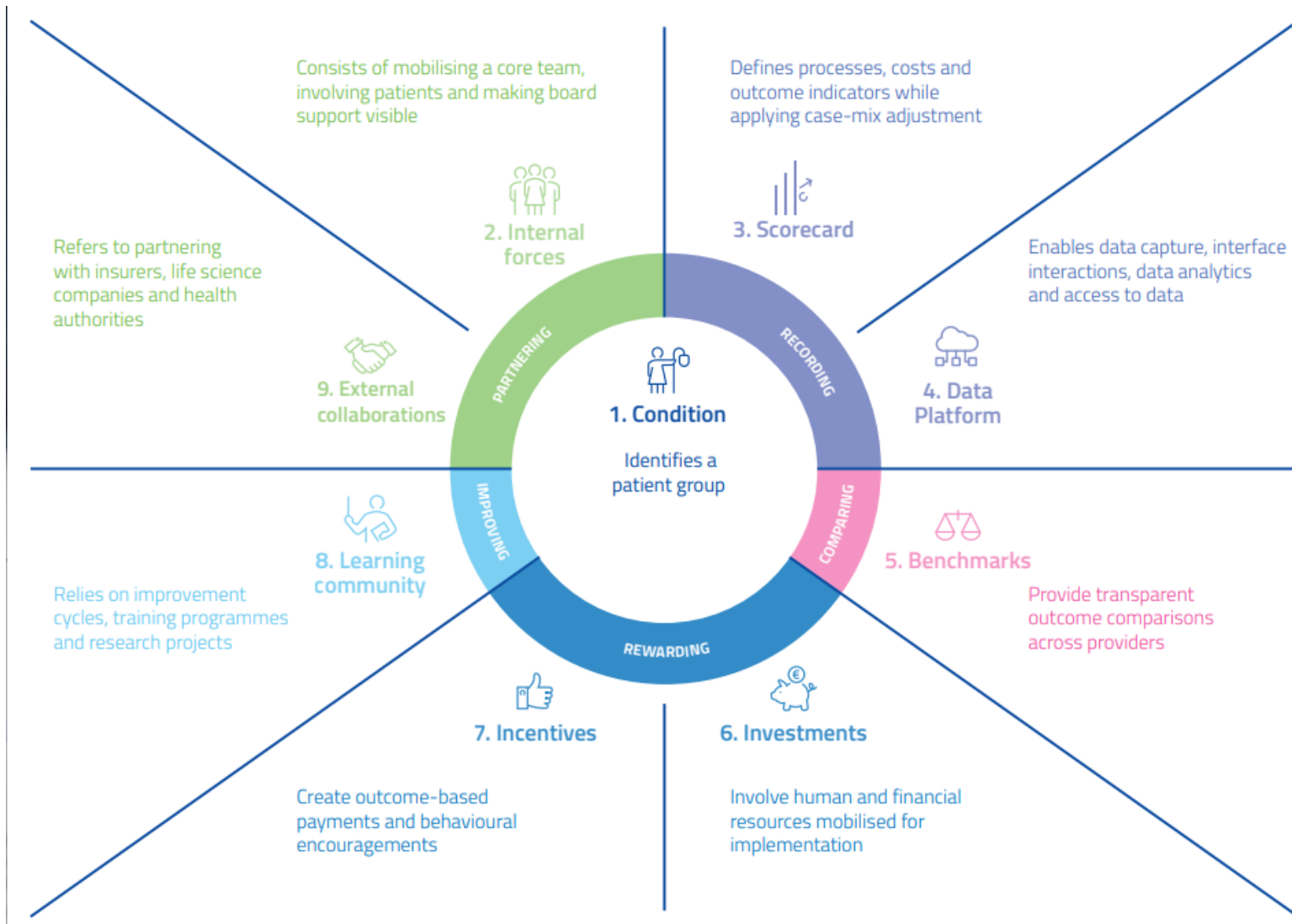
What would be the benefits of the VBHC approach?

- **For patients:** improvement in treatment outcomes, improved access to the new and personalized therapies, shorter time to receive services, change in attitudes, improved cooperation with medical practitioners
- **For service providers:** increase of operational efficiency, professional performance and quality, as well as greater patient satisfaction with the received services
- **For payers:** controlling costs and reducing financial risk, ensuring the best possible health benefits for the lowest possible treatment costs
- **For medical technology providers:** opportunities to position their products and services in the context of positive patient outcomes and reduced costs, to link technology prices to the real value they create for patients, to expand personalized treatment approaches.
- **For the healthcare system:** the opportunity to manage rising costs and make better use of limited resources to provide the best possible care for patients and improve overall public health outcomes

Criteria for selecting VBHC pilot programs

- Significant burden of disease;
- High costs;
- Subject of planned care;
- Availability of international guidance and outcomes' measurement (eg ICHOM) standards, experience from other countries;
- Possibility to record patient level outcomes and cost data
- Motivated and collaborative medical staff.

VBHC implementation matrix



Next steps

- VBHC concept document
- Initiation of pilot projects
- Initiation of stakeholder networks
- Further research on health care organization models

Literature

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Thank you!

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