Value in Healthcare – Some Global Perspectives

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Value Based Healthcare - A simple proposition

Outcomes that matter to patients = Value incurred

Cost incurred
Ubiquity of variation suggests there is an opportunity

2008/09 OECD Health indicators

Spending

Health outcomes

Ave Length of Stay

(example of clinical practice)

What do we mean by outcomes

Mortality

Provider reported adverse events
• Complications, iatrogenic events, readmission

Patient reported outcome measures (PROMs)
• Health-Related Quality of life
• Functional ability – ADL
• Economic activity and social engagement
  + Consistency over time
The opportunities for mortality reduction are diminishing ...
However, for many diseases we need to move beyond mortality

Focussing on mortality alone…

...may obscure large differences in outcomes that matter most to patients

Swedish data rough estimates from graphs; Source: National quality report for the year of diagnosis 2012 from the National Prostate Cancer Register (NPCR) Sweden, Martini Klinik, BARMER GEK Report Krankenhaus 2012, Patient-reported outcomes (EORTC-PSM), 1 year after treatment, 2010
Impact of the Swedish cataract registry – avoiding unnecessary surgery

NIKE identified four indication groups (IGs) with common responses to surgery...

...which created the potential for $8m per year in savings

Sometimes the greatest value is in demonstrating that outcomes don’t differ systematically.

**Relationships between diagnostic colonoscopy rates, and colo-rectal cancer incidence and mortality**

(four year total 2007/08 – 2010/11)

- UK NHS target
- Size of ball represents the number of diagnosed cases in an SLA between 2007/08 – 2010/11
- Av No of colonoscopies per diagnosis

1. Fecal occult blood test  2. Colonoscopies may be performed for indications other than suspected colo-rectal cancer

Note: Chart excludes Latrobe-Moe as a significant outlier

Source: VAED, MBS, Victorian cancer registry, BCG analysis
Australia already has some successes - Hip and Knee arthroplasty

Overall reduction for knee replacement revision burden from 9% to 7.7%
(3900 avoided revision surgeries)

Overall reduction for hip replacement revision burden from 13.2% to 10.2%
(6700 avoided revision surgeries)

Repeat hospitalisation costs avoided alone amount to $240m

Source: Health Outcomes Australia analysis; AOANJRR registry data
Surgeon feedback component alone worth $75 million, at a cost of ~$15m

Note: Years of life saved discounted by 3% p.a.; Figures in 2014 dollars, including VSLY unit
Source Health Outcomes analysis. OBPR protocol
ICHOM focuses on global standards & benchmarking; Health Outcomes provides support for local implementation

### ICHOM

**Drives development of international standard sets**
- Organizes global teams of physician leaders, outcomes researchers and patient advocates per medical condition
- Ongoing support / updates to standards

**Certifies IT solution providers through their Certified Suppliers program**

**Enables global benchmarking and data sharing through a common platform**

**Global networks of innovation institutes**
- Workshops and remote coaching with executive, clinical and ops teams
- Coordinate support and participation in working groups

### Health Outcomes

**Provides practical implementation support for ICHOM standard sets**
- Works closely with local clinicians and provider organisations to help measure, analyse and feedback outcomes

**Tailors IT solution implementation, in partnership with Pulse Infoframe**

**Drives advanced analytics & reporting**
- Risk adjustment and comparison across similar patients
- Identification of best practices

**Build local implementation networks**
- Coordinate stakeholders/players and build coalitions for measurement
- Clinician engagement to build momentum
- Deliver on-the-ground, local support to drive execution of project
Developed 12 Standard Sets thus far, covering 35% of the global disease burden

- Dementia
- Frail elderly care
- Heart Failure
- Pregnancy and childbirth
- Breast cancer
- Colon cancer
- Overactive bladder & incontinence
- Inflammatory bowel disease
Global uptake of standard sets circa Jan 2015
Global movement rapidly gaining pace – driven by three key factors

**Maturity**: Outcomes measurement well developed for many years in Academia now being used for:
- Clinician feedback
- Health system decision-making
- Long term structural efficiency improvement
- Patient communication

**Scale**: Coalescence of measurement initiatives across hospitals, cities and provinces, and now countries
ICHOM creates virtual scale

**Technology**: Digitisation of health information makes it cheaper and quicker to collect store and analyse
Technology provides new cost effective way to collect data from patients
Where might we get to?

400 pages of comparisons between every health service region in Sweden

170 different conditions covered

Population health, behaviour, clinical and patient reported outcomes covered

Produced every 2 years

Data drill down available that allows comparison of individual hospitals, patient subsets and managing clinicians
Example comparisons produced

**Bowel cancer**

**Cataracts**