

Moving towards value based health care (VBHC)

Rachael Fleurence, PhD
Oxford Outcomes
November 6th, 2011

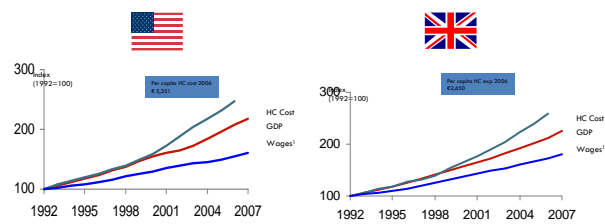
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Outline

- Moving towards Value Based Health Care
 - Rising costs of HC
 - Aligning system incentives around the 'patient'
- Creating value around the Patient:
 - Evidence (PCOR)
 - Delivery (ACOs, Physician-driven implementation)
 - Payment (VBID, CED)

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Rising HC costs not matched by rise in quality



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Many problems plague HC systems



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Many stakeholders in a fragmented system ...

- Patients
- Providers
- Payors
- Employers
- Government
- Suppliers
- Academia



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...with conflicting goals and incentives



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Aligning incentives around the patient



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Aligning incentives around the patient

PCORI's Mission



PCORI helps people make informed **health care decisions** and improves **health care delivery** and outcomes by producing and promoting high integrity, evidence-based information that comes from **research guided by patients**, caregivers, and the broader health care community.

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Evidence, HC Delivery, HC Payment



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Better evidence informed by the patient: Patient Centered Outcomes Research

Comparative Comparison of alternative treatments and interventions on relevant outcomes

Real World Real world and timely evidence

Patient Centered Emphasis on subgroup populations
Identifying and measuring relevant outcomes is critical

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Evidence that is comparative

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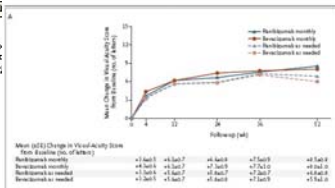
ISSN 0029-2966 Vol. 363 No. 10 June 30, 2011

Ranibizumab and Bevacizumab for Neovascular Age-Related Macular Degeneration

The CATT Research Group

ABSTRACT

OBJECTIVE: Clinical trials have established the efficacy of ranibizumab and bevacizumab in the treatment of neovascular age-related macular degeneration (AMD). In a direct comparison, we compared the efficacy of ranibizumab and bevacizumab in the treatment of AMD.



Evidence that is patient-centered



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HOME ARTICLES ISSUES SPECIALTIES & TOPICS FOR AUTHORS CME Keyword



Perspective

Comparative Effectiveness Research and Patients with Multiple Chronic Conditions

Mary E. Tinetti, M.D., and Stephanie A. Studenski, M.D.
N Engl J Med 2011; 364:2478-2481 | June 30, 2011

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Delivery side reform: advent of ACOs

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Perspective

Launching Accountable Care Organizations – The Proposed Rule for the Medicare Shared Savings Program

Donald M. Berwick, M.D., M.P.H.

A common criticism of U.S. health care is the fragmented nature of its payment and delivery systems. Because in many settings no single group of participants — physicians, hospitals, public or private payers of health care — is responsible for the care of patients, it is difficult to coordinate care and to control costs. Accountable care organizations (ACOs) are a new type of organization that is designed to address this problem. ACOs are groups of physicians, hospitals, and other providers who agree to coordinate care for their patients and to share in the financial risk of providing care. The proposed rule for the Medicare Shared Savings Program would allow ACOs to participate in the Medicare program and to share in the savings that result from coordinated care.

Making Good on ACO's Promise—The Final Rule for the Medicare Shared Savings Program

Donald M. Berwick, M.D.

During my career as a practicing pediatrician, my patients and I benefited from being part of a well-managed system of care, coordinated and financed to support readmission and patient health. I am confident that the final rule for the Medicare Shared Savings Program will help to ensure that all patients can benefit from the coordinated care that ACOs can provide.

Physician-driven implementation: Kaiser Permanente

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Population Trends in the Incidence and Outcomes of Acute Myocardial Infarction

Robert W. Yeh, M.D., Stephen S. Virap, M.D., M.P.H., Mallikarjuna Reddy, M.F.A., M.D., Michael Joseph V. Salty, M.D., M.P.H., and Alan S. Go, M.D.

Figure 1. Age- and sex-adjusted incidence rates of acute myocardial infarction, 1989 to 2008. Error bars represent 95% confidence intervals. MI denotes myocardial infarction; ST MI, ST MI; NSTEMI, non-ST MI.

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Payment Reform: Value-Based Insurance Design

VALUE-BASED INSURANCE DESIGN

By Vinayak K. Choudhry, Michael A. Fisher, Jerry Allen, Sebastian Schneeweis, David H. Solomon, Christine Berman, Saira Jan, Jun Liu, Joyce Li, M. Alan Brookhart, John J. Mahoney, and William H. Shrank

At Pitney Bowes, Value-Based Insurance Design Cut Copayments And Increased Drug Adherence

ABSTRACT: To date, there has been little empirical evidence on the use of value-based insurance designs, which tie copayments to drug adherence. To evaluate the impact of the value-based insurance design, we conducted a randomized controlled trial. The trial compared the impact of a value-based insurance design (VBI) to a control group. The VBI group had lower copayments for high-value drugs and higher copayments for low-value drugs. The control group had a flat copayment structure. The VBI group had significantly higher adherence for high-value drugs and significantly lower adherence for low-value drugs compared with the control group.

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Coverage with Evidence Development

U.S. Department of Health & Human Services

CMS Centers for Medicare & Medicaid Services

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CMS Home > Medicare > Medicare Coverage & General Information > Coverage with Evidence Development

Medicare Coverage - General Information

National Coverage Determination

- Cochlear Implantation
- Chemotherapy for Colorectal Cancer
- PET (FDG) for Brain, Cervical, Ovarian, Pancreatic, Small Cell Lung, and Testicular Cancers
- Implantable Cardioverter Defibrillators
- PET (FDG) for Dementia and Neurodegenerative Diseases
- Long term oxygen treatment

Coverage Determinations with Data Collection as a Condition of Coverage: In the circumstances under which CMS would issue a national coverage determination, CMS may require the collection of additional patient data to supplement standard claims data.

CEB

Not scheduled at present

- National Cancer Institute Clinical Trials Covered Under the Medicare Anticancer Drug National Coverage Decision
- National Oncologic PET Registry
- American College of Cardiology National Cardiovascular Data Registry
- Medicare Approved PET for Dementia Trial
- HAESI

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Conclusions

- Value based health care is contingent on aligning incentives around the 'patient'
- Generating better evidence and translating this into practice through payment reform or delivery reform is critical
- Different approaches are being proposed to do this