

# To Operationalize the VBHC in the Medical Device Area

## An Italian Experience

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### BACKGROUND & OBJECTIVES

In the last years, the main challenge for many healthcare systems (including the Italian one) is to contain costs without compromising the delivered outcomes. The right balance could come from applying the concept of “value” according to the Value-Based Healthcare approach (1,2):

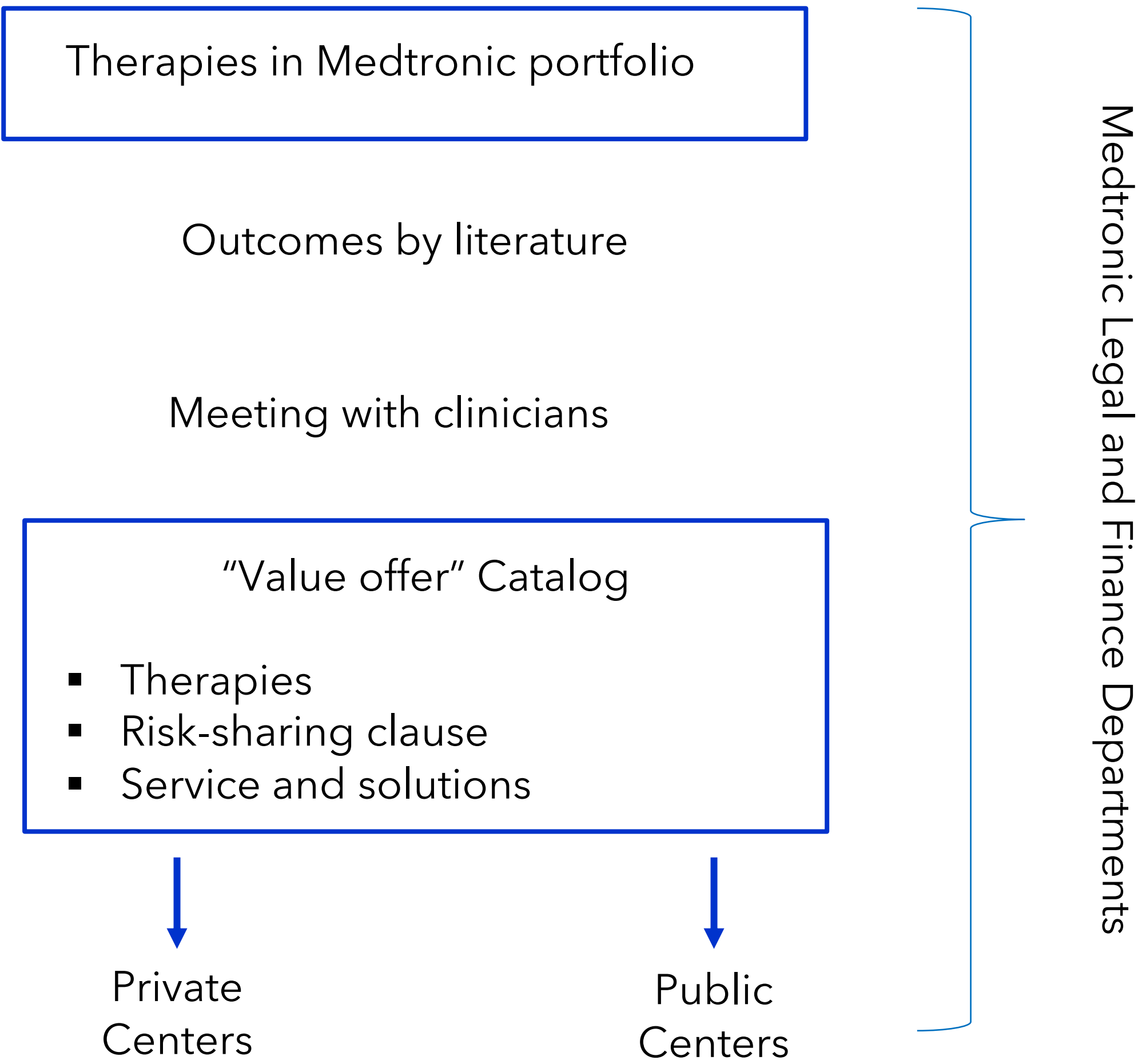
Outcomes that matter to patients

Cost for delivering the outcomes

Focusing on the Italian Healthcare System, the purchasing process is based on public tenders for public accounts and on private negotiations for private certified accounts. The funding and reimbursement systems as well as the purchasing process are not linked to outcome measurements. To help the evolution of the system, one of the starting points could be to link the purchasing process to the outcome track, with a partnership between suppliers and providers. The aim of this analysis is to share the experience of a single medical device company (Medtronic Italia SpA) in the Italian Healthcare setting.

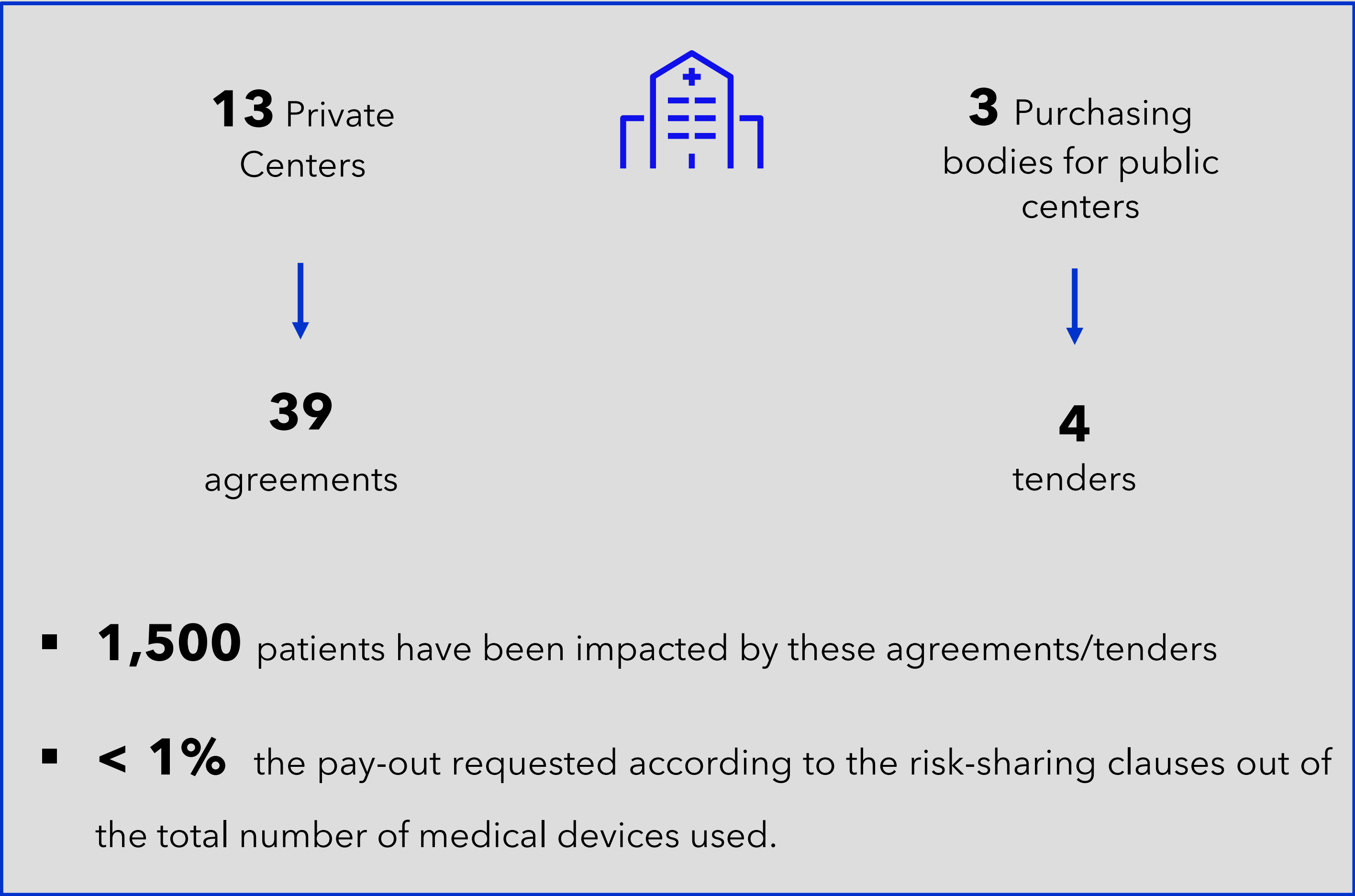
### METHODS

The main therapies included in Medtronic Portfolio have been analyzed. Published observational and randomized clinical trials as well as the ICHOM sets have been studied and meetings with clinicians were managed to choose the most considerable outcomes for each therapy, possibly that occurred in a reasonable time frame from the use/implantation of the medical device (6 months - 4 years). Thus, a “Value Offer” internal catalog was created: therapies, related outcomes, and solutions to support the improvement and collection of outcomes have been listed there. The private centers were then chosen and contacted to start a negotiation and, on the other hand, meetings with Institutional Stakeholders and Public Centers were managed to approach the innovative procurement topic. The proposals contain a risk-sharing clause or solutions to improve patient pathways. An online data collection platform it is generally offered to the Centers, with the aim of monitoring outcomes and collecting data about technologies. The legal Department and Finance Department were involved in the full process.



### RESULTS

- Cardiovascular therapies
- pacemaker implants
  - algorithm for heart failure
  - prostheses for abdominal aortic aneurism
  - stents for peripheral arteriopathies/coronary angioplasty
  - cryoablation for atrial fibrillation
- Neurological therapies
- Neurostimulator for pain
  - neurostimulator for incontinence,
  - mechanical thrombectomy for acute ischemic stroke
- Robotic Surgery



#### Outcomes monitored

- ✓ adverse procedure
- ✓ events infection control
- ✓ Reinterventions
- ✓ prolonged hospitalization
- ✓ improvement of clinical conditions.

### CONCLUSIONS

Applying a Value-Based approach to the purchasing process has been since the beginning a gamble for Medtronic Italia SpA. The results of the agreements allow us to say that the used technology has excellent performance with a clear clinical benefit for the treated patients.

On the other hand, the question could be the following: could these first patterns evolve into more complex schemes including additional elements, outcomes, and KPIs able to guarantee the most relevant experience for the patients and the healthcare sustainability? The expertise gained over the years stresses the importance of continuing to improve and create new value-based projects to prove the clinical scalability and the economic benefits of this approach. At the same time, to build a partnership between public and private sectors it is necessary to support the further evolution of purchasing process and funding mechanism towards a value-based system.

### REFERENCES

1. Porter M.E., Teisberg E., Redefining Competition in Healthcare, Health And Behavioral Science 2004  
2. Porter M.E., Lee T.H., The Strategy that will fix health care. Harvard Business Review October 2013