

How can Value-Based Partnerships unlock value across stakeholders and elevate pharma's role within HC's ecosystem?

Stefan Focsa, Daniele Tosoni, YanWen Chong, Laura-Haden Smith,
& Sneha Chatterjee
Eradigm Consulting

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INTRODUCTION

In a global context where healthcare spending is projected to surpass GDP growth, healthcare systems face the imperative of optimizing resources available. Yet, as the challenges of rising costs, aging demographics, and intricate treatment approaches loom large, discovering effective solutions that deliver value throughout the healthcare ecosystem becomes progressively daunting. **There is mounting evidence that volume-based healthcare can lead to sub-optimal care and resource use**, as well as incentivizing behaviors that are detrimental to key healthcare results.

Consequently, **the healthcare landscape needs a profound transformation where Value-Based Partnerships (VBPs) may play a significant role between payers, policymakers, providers, suppliers (including pharmaceutical companies), and patients, aimed at enhancing outcomes, curbing costs, and revolutionizing healthcare delivery.**

OBJECTIVE

This research focused on **investigating the potential for the formation of VBPs within the healthcare ecosystem**. Furthermore, the research aims to **demonstrate that VBPs can address prevailing inefficiencies, confront challenges, and fulfill unmet needs, while generating supplementary value for all relevant stakeholders.**

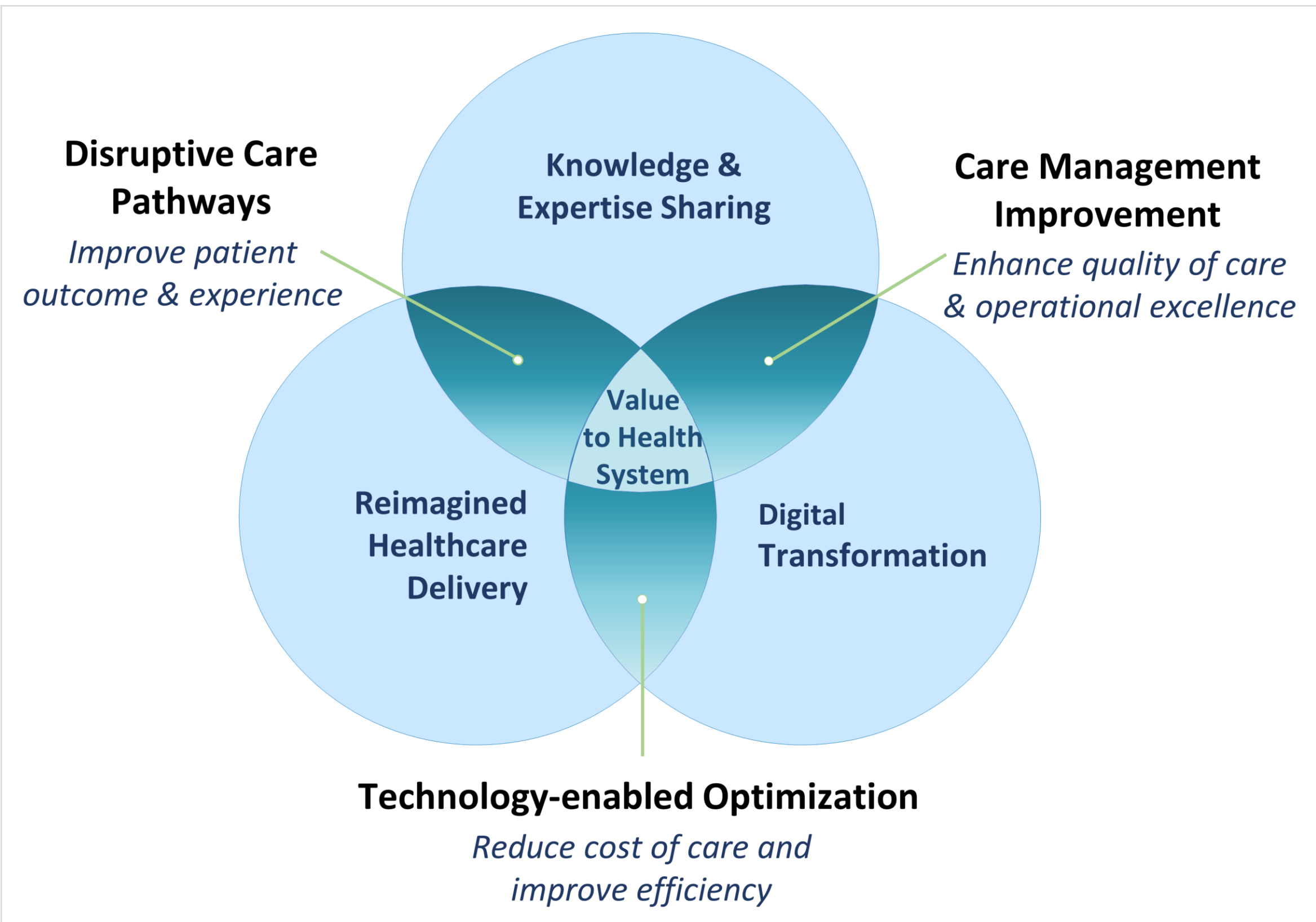
METHODOLOGY

This paper employs **secondary research** to delve into the opportunities for value-based healthcare and collaborative strategies that pharmaceutical companies and key stakeholder groups can engage in, to uncover additional benefits for all groups involved.

RESULTS

VBPs break from conventional models, bringing together an array of stakeholders to form a new paradigm of healthcare evolution that **prioritizes value over volume**. Indeed, a value-centered healthcare shift, may be achieved through the following identified initiatives: **Knowledge & Expertise Sharing, Digital Transformation, and Reimagined Healthcare Delivery** (Fig. 1).

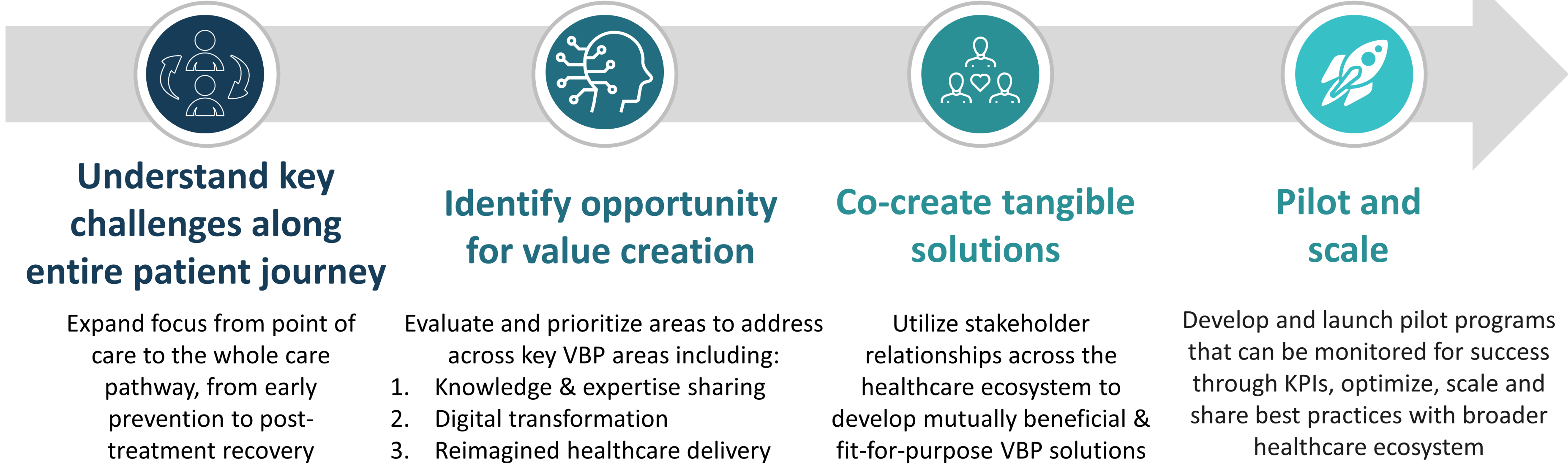
Figure 1: Target areas for stakeholders from the healthcare ecosystem when forming VBPs.



Critical Success Factors

We have identified an approach that can facilitate successful collaborations among the abovementioned stakeholders which can be resumed in four steps (Fig. 2):

Figure 2: Stepwise process demonstrating how pharma can collaborate with other health ecosystem stakeholders to achieve successful VBPs



CONCLUSION

Value-Based Partnerships hold immense potential within the healthcare system, **promising cost reduction and improved resource allocation**. On top of benefitting stakeholders, this value-centric approach could also generate societal advantages, offering opportunities for the entire healthcare ecosystem to **prioritize value for payers, providers, and patients alike**. These partnerships can be pivotal in transitioning towards better patient outcomes while alleviating the overall burden of healthcare systems.

Building VBPs **requires trust and teamwork, focusing on expertise sharing, digital transformation, and innovative care delivery**. To maximize their role, pharmaceutical companies should embrace cooperation over competition.

While some initiatives have commenced, we are still in the early stages, with much work ahead to fully unlock the potential of VBPs.

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