Value based health care: an urgent discussion

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- Disclosures: none
Epidemiology

Top 10 causes of death

<table>
<thead>
<tr>
<th>Cause</th>
<th>2012 Deaths</th>
<th>2000-2012 Crude Death Rate</th>
<th>Change in rank 2000-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ischaemic heart disease</td>
<td>136.1</td>
<td>0.1%</td>
<td>12th</td>
</tr>
<tr>
<td>Stroke</td>
<td>120.1</td>
<td>0.2%</td>
<td>18th</td>
</tr>
<tr>
<td>Lower respiratory infections</td>
<td>64.5</td>
<td>0.0%</td>
<td>21st</td>
</tr>
<tr>
<td>Diabetic nephropathy</td>
<td>63.8</td>
<td>0.4%</td>
<td>22nd</td>
</tr>
<tr>
<td>Hypertensive heart disease</td>
<td>62.8</td>
<td>0.2%</td>
<td>23rd</td>
</tr>
<tr>
<td>Road injury</td>
<td>61.7</td>
<td>0.4%</td>
<td>24th</td>
</tr>
<tr>
<td>Chronic obstructive pulmonary disease</td>
<td>62.8</td>
<td>0.3%</td>
<td>25th</td>
</tr>
<tr>
<td>Trachea, bronchus, lung cancer</td>
<td>51.1</td>
<td>0.0%</td>
<td>26th</td>
</tr>
<tr>
<td>Cervical of the spine</td>
<td>27.9</td>
<td>0.0%</td>
<td>27th</td>
</tr>
</tbody>
</table>

CHD Stroke Hypertension = 25%

“What is the big picture?”

Table 1. Projections of Crude CVD Prevalence (%), 2010–2030 in the United States

<table>
<thead>
<tr>
<th>Year</th>
<th>All CVD*</th>
<th>Hypertension</th>
<th>CHD</th>
<th>HF</th>
<th>Stroke</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>36.9</td>
<td>33.9</td>
<td>8.0</td>
<td>2.8</td>
<td>3.2</td>
</tr>
<tr>
<td>2015</td>
<td>37.8</td>
<td>34.8</td>
<td>8.3</td>
<td>3.0</td>
<td>3.4</td>
</tr>
<tr>
<td>2020</td>
<td>38.7</td>
<td>35.7</td>
<td>8.6</td>
<td>3.1</td>
<td>3.6</td>
</tr>
<tr>
<td>2025</td>
<td>39.7</td>
<td>36.5</td>
<td>8.9</td>
<td>3.3</td>
<td>3.8</td>
</tr>
<tr>
<td>2030</td>
<td>40.5</td>
<td>37.3</td>
<td>9.3</td>
<td>3.5</td>
<td>4.0</td>
</tr>
<tr>
<td>% Change</td>
<td>9.9</td>
<td>9.9</td>
<td>16.6</td>
<td>25.0</td>
<td>24.9</td>
</tr>
</tbody>
</table>

Per capita expenditure on health

Expenditure on health

Per capita total expenditure on health at average exchange rate (US$), 2014

Data Source: World Health Organization

Brazil: WHO statistical profile
“What is the big picture?”

“Around the world, every health care system is struggling with rising costs and uneven quality despite the hard work of well-intentioned, well-trained clinicians”

Michael E. Porter and Thomas H. Lee, HBR 2013
Costs: avoiding overuse of medical services

- Overuse is difficult to measure
- Many grey zone interventions benefit very few patients or provide only small benefit relative to costs

GAP for research

Improving outcomes

AMI clinical practice guideline (HIAE)

Makdissie et al. einstein 2013
Improving outcomes

D2B time (HIAE)

Benchmarking!!

“What is the next step?”

Moving Towards a Value Based Health Care...

Considering

Costs

Health Outcomes
Value based health care

Value = \frac{Health\ outcomes}{Cost\ of\ delivering\ the\ outcomes}

M. Porter, 2006

From Volume to Value in Health Care
The Work Begins
JAMA, 2016

Fee for service
Pay for performance

FIGURE 1 The Triple Aim and the Quality and Value Equations

- Clinical outcome measures
- Patient-reported outcome measure (PROMs)
- Patient-reported experience measures (PREMs)

Adapted from Porter (5), Triple Aim (Institute for Healthcare Improvement [IHI] (8), and Kaplan (9).

Katz et al. JACC VOL. 70, NO. 7, 2017
VBHC – “PPPS” impact

- **Patients** will choose their provider based on its expected outcomes and their share of the cost
- **Providers** will differentiate into areas where they deliver superior outcomes at competitive prices
- **Payers** will negotiate contracts based on results and encourage innovation to achieve those results
- **Suppliers** will market their products on value, showing improved outcomes relative to costs

ICHOM

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**The Strategy That Will Fix Health Care**

1. Organize into integrated practice units (IPUs)
2. Measure outcomes and costs for every patient
3. Move to bundled payments for care cycles
4. Integrate care delivery across separate facilities
5. Expand excellent services across geography
6. Build an enabling information technology platform
Challenges for evaluating outcomes

- Meaningful
- Standardized
- Capture the care cycle

ICHOM’s mission is to unlock the potential of value-based health care by defining global Standard Sets of outcome measures that really matter to patients for the most relevant medical conditions and by driving adoption and reporting of these measures worldwide
A "value management office" can greatly enhance an institution’s ability to **improve outcomes and costs** across the enterprise.
VMO – HIAE

Innovation in health
Financial data
Integrated view
Outcomes (NCDR, ICHOM, PROMs)
Patient engagement
Payers, supplayers
Big data
Epidemiology data
Physician engagement
DRG
Digital strategy
Quality and safety

Einstein’s Value Management Office Value Journey

Information
Integration & automatization
Data from clinical & administrative areas
Single source of information
- Reduce the need for rework
- Minimize information divergence
- Provide easier access to information to managers

Outcomes
Standardization & Benchmarking
ICHOM: International Consortium for Health Outcomes Measurement
- ANAHP Simulation and pilot phases started April 2017 (8 hospitals): Heart Failure Standard Set
- Einstein was the 1st hospital to start reporting

Costs
Change costs measurement method
Healthcare Costs
- Evolve from measuring:
  - Accounting costs
  - Costs of Episodes of care
- Total cost of the full cycle of care
In conclusion

- Rising costs and uneven quality among health services
- Value based health care emerges as an alternative for sustainability of the system
- VBHC considers the full cycle of care, with reimbursements related to performance
- VBHC impacts on Patients, Payers, Suppliers and Providers
- Health care providers need a VMO for the transition from FS to PP