VALUE BASED PRICING SCHEMES.. Are we sure that’s not a dream?

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What’s Value Based Health (VBH) ?

Maximizing of outcomes over cost.

Value based healthcare or Pricing based healthcare?

- Value based health care system rewards performance using measures of outcomes that matter to the patient and aligns the incentives of providers, manufacturers, payers and other stakeholders accordingly.

- One way to define such as system is one that achieves the highest value per dollar spent.

- Many aspects of current health systems are not conducive to producing value in health care due organizational structures and information systems make it difficult to both measure and deliver this value.

https://www.ispor.org/sigs/Health-Policy_VBHC.asp
Some ideas to start thinking in VBH

1. Redefine the business around medical conditions
2. Choose the range and types of services provided
3. Organise around medically integrated practice units
4. Create a distinctive strategy in each practice unit
5. Measure results, experience, methods, patient attributes by practice unit
6. Move to single bills and new approaches to pricing
7. Market services based on excellence, uniqueness and results
8. Grow locally and geographically in areas of strength

- Be aligned over the patient.
- Achieve the best outcomes for money spent.
  - Patient, payer, and societal perspectives
- Improved health status rather than unit volume
- Contains cost growth in a sustainable manner
- Designs rewards and incentives to achieve the desired outcomes.