WHERE IS THE VALUE IN VALUE-BASED HEALTH CARE?

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VBHC and sustainable, high-performing health systems
The policy perspective

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Value across a system

‘Health’ – ‘Utility’ – ‘Well-being’

Value = (system) \frac{‘Outcomes’}{‘Costs’}

Resources are and always will be scarce

Value across a system

‘Health’ – ‘Utility’ – ‘Well-being’

Value = (system) \frac{‘Outcomes’}{‘Costs’}

People-centered
‘External’ costs

Safe
Effective
Timely
Equitable

Efficient
Inputs / expenditure
- Technical efficiency
- Allocated efficiency

Opportunity cost
- Allocative efficiency
Patients/community often bear the cost

Value across a system

\[ \text{Value} = \frac{\text{Quality}}{\text{Costs}} \]

- Safe
- Effective
- Timely
- Equitable
- Efficient

\begin{itemize}
  \item People-centered
  \item ‘External’ costs
    - think climate change
\end{itemize}

\begin{itemize}
  \item Inputs / expenditure
    - Technical efficiency
\end{itemize}

Opportunity cost
- allocative efficiency
First, do no harm!

- Global BOD ~ TB or malaria
- Consumes 15% of acute care resources
- External costs: trillions
- Highly preventable (cheap)!


More care where it’s needed (and vice versa)

Research

Variation in coronary angiography rates in Australia: correlations with socio-demographic, health service and disease burden indices

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Abstract

Background: Variation in the provision of coronary angiography is associated with health-care efficiency and quality. We explored geographic, socio-economic, health service and disease indicators associated with variation in angiography rates across Australia.

Methods: Australian census and National Health Survey data were used to determine socio-economic, health workforce and disease burden indices. Healthcare facilities, mainly hospitals, were identified from the Australian hospital mortality and coronary mortality databases. All coronary care units were included, and age- and sex-standardised rates of acute coronary syndromes (ACS) and acute myocardial infarction (AMI) were used as a proxy for disease burden. Health service and socio-economic indices were obtained from the 2011 Australian census.

Results: There were strong associations between social disadvantage and angiography rates. Social disadvantage and remoteness were highly correlated with health need but not with angiography rates. Private health insurance status strongly correlated with angiography rates.

Effects on populations, over time

What is the system value of curing hep-c in a patient?

Better communication

“...69% lung cancer and 81% colorectal cancer patients thought that chemotherapy could cure them.

..... compromise their ability to make informed treatment decisions aligned with their preferences.”

Source: www.nejm.org/doi/full/10.1056/NEJMoa1204410#t=abstract
Measure what matters

- Outcomes valued by patients (generic, condition- and domain-specific PROMs)
- Experience of care (PREMs)
- Potentially, safety incidents (PRIMs)

http://www.oecd.org/health/paris.htm

Are we ready?

- Value is a way of thinking
- Care delivery ↔ Research ↔ HTA / pricing
- More information on what matters to patients.
- Upskilling, education, socialisation of care teams.
- Incentives /signals (embed value across institutions).
- Involve patients plus citizens and communities.
Thank you

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