

IMPORTANCE OF ADOPTING VALUE-BASED HEALTHCARE



Submitted By:
Dr. Rehan Rais Sheikh
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Submitted To:
Dr. Anoop Khanna
Professor IIHMR

INTRODUCTION

- ❑ The traditional fee-for-service healthcare approach, which based reimbursement on the quantity of services provided.
- ❑ In this concept, quantity is given precedence over quality of care.
- ❑ Regardless of the outcome, this payment model compensates doctors for the volume and amount of services rendered.
- ❑ FFS encourages overutilization and therapies with an unnecessarily high volume or expense, which could lead to a financial conflict of interest with patients.



VALUE BASED HEALTHCARE

- ☐ Value-based care is a proactive idea that aims to standardise healthcare procedures through best practises while also increasing the quality of patient care and health outcomes.
- ☐ Hospitals and doctors are compensated according to the improvements in patients' health as a result of their care.
- ☐ It is a model in which medical professionals are paid according to how well a patient does while retaining overall cost effectiveness.
- ☐ This strategy encourages healthcare professionals to concentrate on the quality of health services provided rather than just the quantity.
- ☐ Value-based care has the potential to dramatically raise overall health improvements from the standpoint of society as a whole.

❖ **OBJECTIVES OF VBC:**

- Low Cost
- High Quality
- Wide Accessibility

❖ **VALUES OF HEALTHCARE:**

- ☐ **Allocative Value:** Distribute resources equally across all patient groups.
- ☐ **Technical Value:** Maximize results with already available resources.
- ☐ **Personalised Value:** evaluations of the patient's condition with the best available information.
- ☐ **Societal Value:** Health care's contribution to social involvement and connectivity

METHODOLOGY

AIM

- The aim is to understand the importance of adopting value-based healthcare.



RESEARCH PROBLEM

- ☐ An increase in out-of-pocket expenditure.
- ☐ Distribution of health care is insufficient.
- ☐ Prioritise quantity over quality when treating patients.
- ☐ Health services are not distributed equally among all.



RESEARCH QUESTION

- ☐ What is the effect of value-based healthcare on consumer?
- ☐ What are the driving factors for value-based healthcare?
- ☐ Is value-based healthcare need of the future?



RESEARCH OBJECTIVE

- ☐ To identify the factors that promote value-based care.
- ☐ To discuss various significance and benefits of value-based care.
- ☐ To determine the effectiveness of value-based healthcare model.

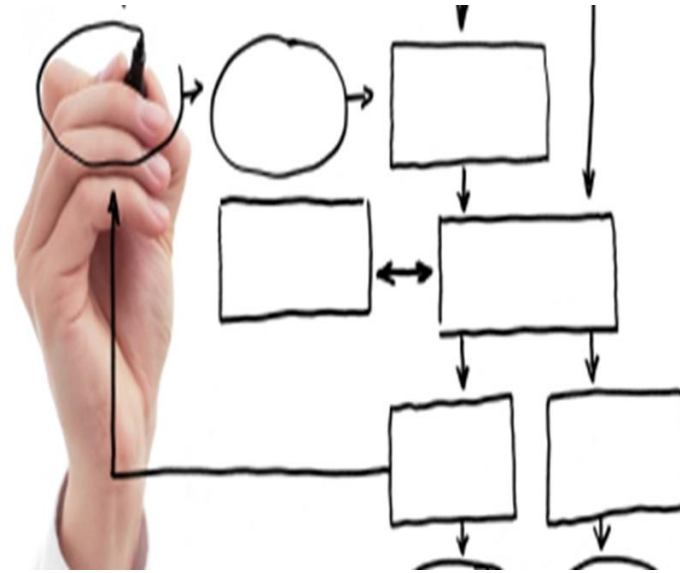


❑ **STUDY DESIGN:** Descriptive. A descriptive study conducted through secondary research or desk review using publicly available data sources.

❑ **SAMPLING TECHNIQUE:** Purposive sampling- To select relevant reports, articles, or case studies.

❑ **SOURCES OF DATA:**

- Consulting reports
- Industry experts' comments
- PubMed
- Google Scholar
- Government websites
- Government publications.

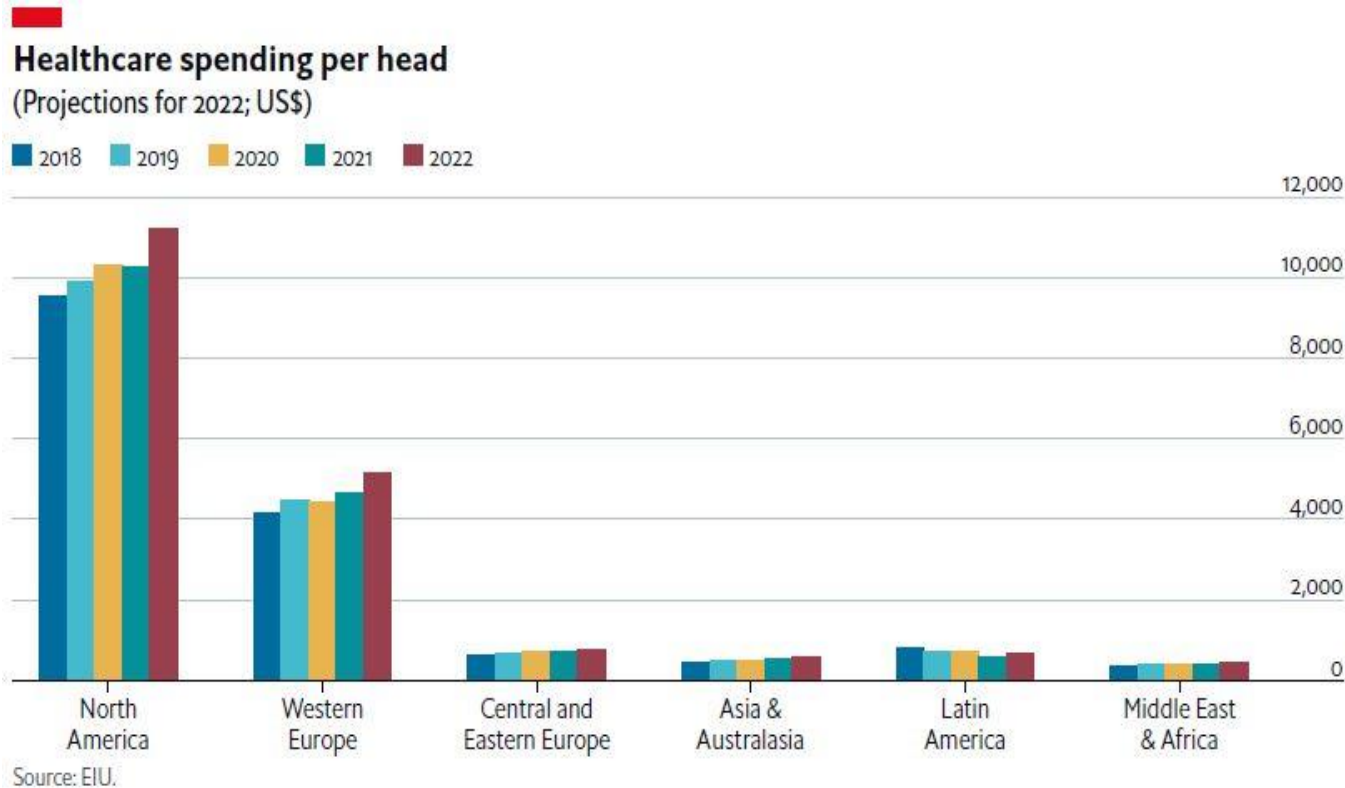


DATA COLLECTION AND ANALYSIS:

- ☐ To collect evidence that supports value-based healthcare, the qualitative data were compiled using organized and targeted secondary research utilizing Google's "Advanced search" feature. For further understanding and information gathering, other resources such as PubMed, consultant reports, and news items were also used.
- ☐ Data were obtained using the narrative review method.
- ☐ The existing literature was then used to help create the recommendations.
- ☐ Descriptive statistics will be used to summarize the results of the studies included in the review.

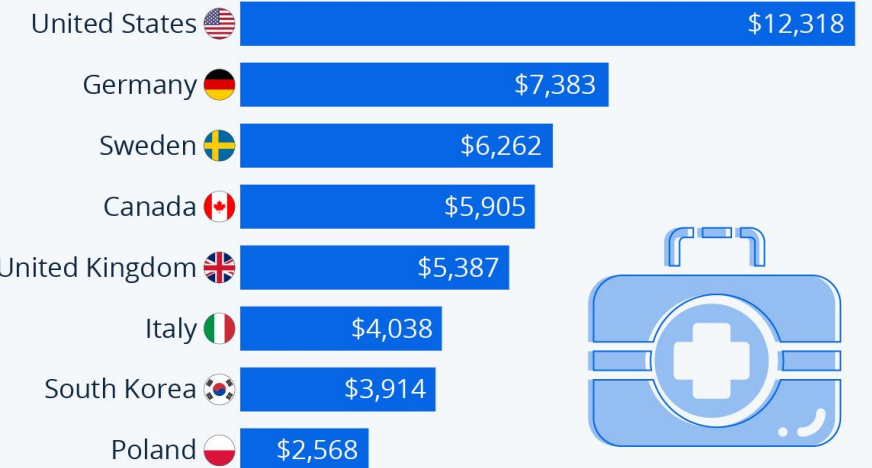
- ☐ **ETHICAL CONSIDERATION:** Ensure usage data is used in an ethical and responsible manner. This includes protecting the confidentiality of data, using data only for the purposes for which it was collected, and avoiding unethical or illegal use of data.

RESULT



The U.S. Has the Most Expensive Healthcare in the World

Per-capita health expenditure in selected countries in 2021



Includes government and private/compulsory and voluntary spending

Source: OECD



statista

☐ In terms of healthcare spending per person, North America leads in 2022.

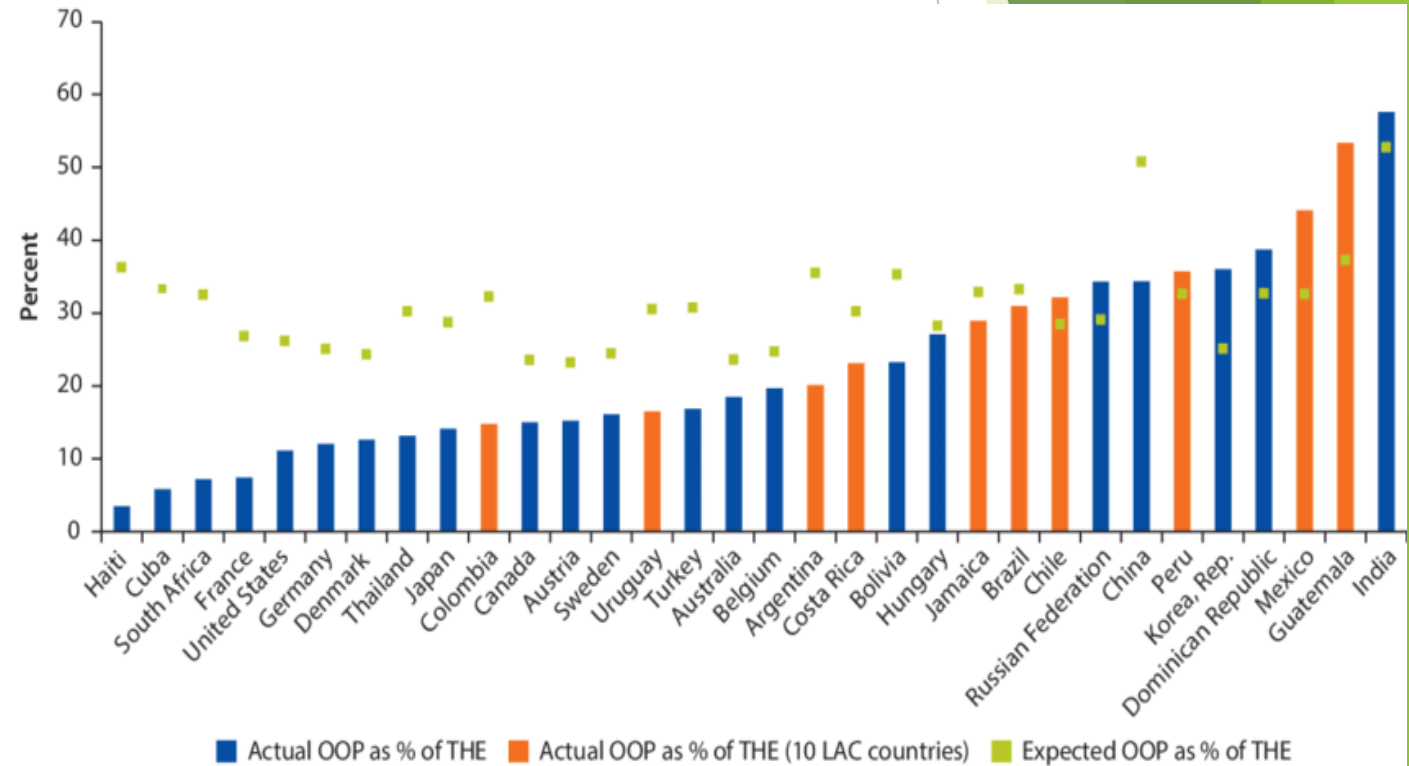
☐ India pays 4470 INR per capita for healthcare.

☐ India: In 2023, health spending will account for 2.1% of GDP.

☐ In terms of GDP, healthcare spending in the US accounted for 18.3 percent

OUT-OF-POCKET EXPENDITURE

- ❑ When compared to India, the US and Western Europe perform better in controlling OOPE.
- ❑ India's total healthcare spending has always been significantly influenced by household OOPE.
- ❑ People are still being forced into poverty as a result of persistently expensive out-of-pocket health expenses.



FACTORS THAT PROMOTE VALUE-BASED CARE

- ❑ Shift in favour of a more comprehensive care strategy.
- ❑ Improved care for people with long-term diseases.
- ❑ Significant rates of population growth.
- ❑ Escalating patient demands for individualised care and reasoned decision-making.
- ❑ High incidence of non-communicable chronic illnesses.
- ❑ Escalation of organisational restructuring initiatives.



Shift
to more integrated care
delivery models



Better
management of patients with
chronic conditions



Significant
population growth rates



Rise
of patients' demands for
personalized experience and
informed shared decision-
making



High
prevalence of chronic non-
communicable diseases



Rise
of organizational
restructuring efforts

VALUE BASED CARE MODEL

- ❑ **BUNDLED PAYMENT:** Single collaborated payment for all services
- ❑ **CAPITATION MODEL:** Provider or a group of organisations collects a set payment per patient for specified medical services from the payer
- ❑ **PAY FOR PERFORMANCE:** Financial incentives / dis incentives are linked to performance
- ❑ **PATIENT-CENTRED MEDICAL HOME:** Driven by primary care focusing on building a team of professionals
- ❑ **SHARED RISK:** Providers have the incentive of sharing cost savings and the disincentive of sharing the excess costs of care deliver
- ❑ **SHARED SAVINGS:** The payer and provider enter into an agreement that includes patient attribution, service provision and estimated medical costs.

EFFECTIVENESS OF VALUE BASED HEALTHCARE

- ☐ Increased quality, staff and patient satisfaction, and a better treatment plan all helped to shorten the length of the patient's stay.
- ☐ Investigates the most efficient ways to transform patient paths into a procedure that produces high-value treatment.
- ☐ Lowering unnecessary medical expenses while enhancing the standard of service and patient involvement.
- ☐ A value-based system's requirements may result in a more demanding and unforgiving work environment for doctors.
- ☐ Data across the network of care providers is analysed as a result of better interoperability
- ☐ Proactive care prevents and manages chronic illness with a focus on keeping patients healthy.



BENEFITS OF VALUE BASED HEALTHCARE

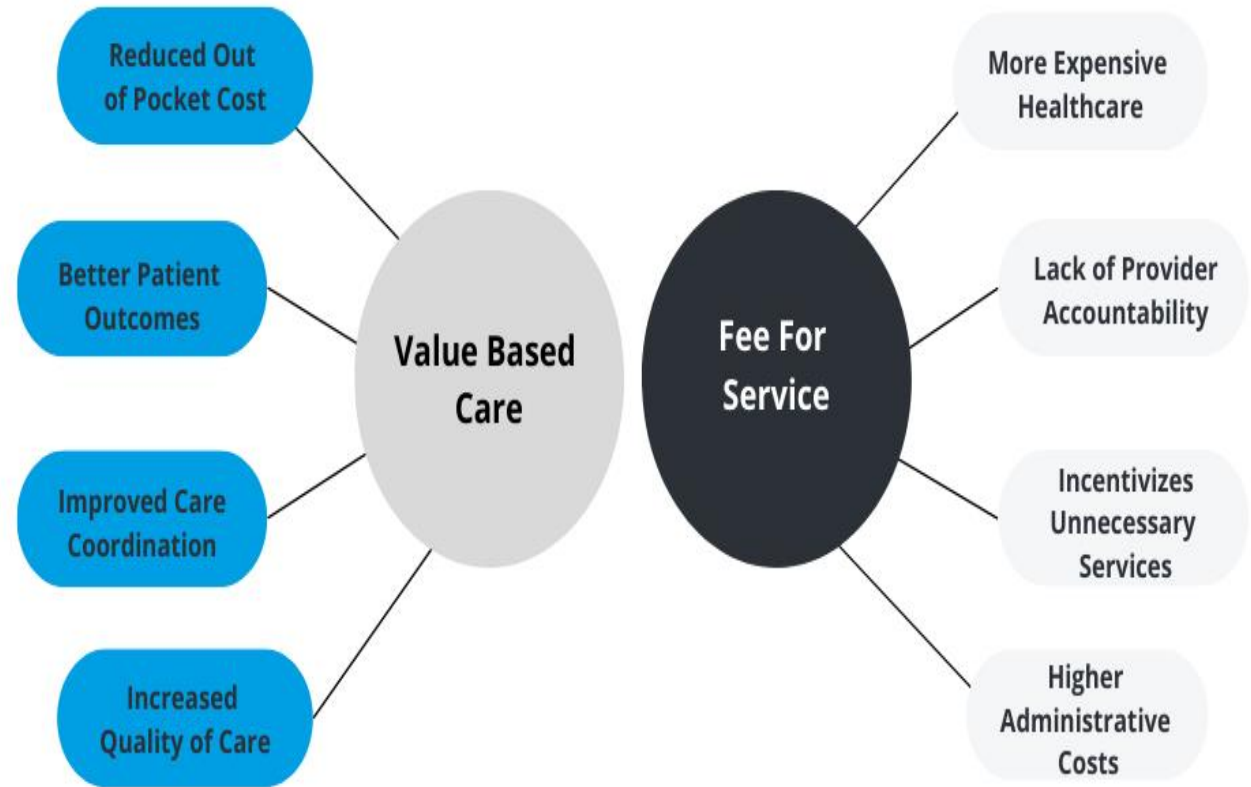
- ❑ Demonstrated to be a patient-centered, cost-effective delivery method.
- ❑ Standardise the cost of care and the outcome.
- ❑ Shift to outcome-based compensation.
- ❑ Priority to quality over quantity.
- ❑ Efficiency gains for the providers lead to higher patient satisfaction.
- ❑ Patients are better able to keep informed thanks to data from EMRs.
- ❑ Enhanced the exchange of medical data.
- ❑ High-quality, holistic treatment and empowering patients to live longer, healthier lives.



DISCUSSION

NEED OF VALUE-BASED HEALTHCARE:

- ☐ To achieve better health outcomes in lower expense.
- ☐ Avoid therapies that are not required.
- ☐ Better “Value for money”.
- ☐ Transitioning from volume to value.



Solutions that enhance outcomes are rewarded, providing an opportunity to stand out from rivals as a partner in the healthcare ecosystem, create synergies with other business models, and become more patient-centric.

BUILDING BLOCKS

Willingness to adapt to recent system

Healthcare funding

Data and technology driven

Availability of infrastructure and resource

Shared responsibility and coordination

IMPLEMENTATION

Healthcare delivery strategic framework



MONITOR KEY INDICATORS

Clinical Quality Measures

Out-of-Pocket Expenditure

Healthcare spending: GDP

Clinical Results

Adherence to Clinical Guidelines

Percentage of People with Health Insurance



CONCLUSION

- ❑ The value concept in the healthcare system should result in the aims of consumers, suppliers, practitioners, citizens, and patients being aligned.
- ❑ The most crucial concern is listening to the patient's voice, which is also a crucial factor in encouraging doctors and other healthcare professionals to participate more actively.
- ❑ It is the ultimate solution to the complexities of healthcare.



- ☐ Recognise organisational, team, and individual obstacles
- ☐ Develop robust IT systems
- ☐ Programmes must be monitored and evaluated
- ☐ Resource distribution and allocation that is appropriate
- ☐ Increasing ability and capacity
- ☐ Establish a system-based healthcare network



RECOMMENDATIONS

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Thank You