

REDEFINING THE HEALTHCARE DELIVERY SYSTEM -AVALUE BASED APPROACH

Dissertation Submitted to



The IIHMR University, Jaipur

For the partial fulfillment for the award of the degree of

Master of Business Administration (MBA)

In

Hospital and Health Management (2020-2022)

by

Dr.Khushboo Tyagi

Under the Supervision and Guidance of

Kajal Sitlani

Associate Professor

IIHMR University, Jaipur

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DECLARATION BY STUDENT

I hereby declare that this dissertation titled " **Redefining The Healthcare Delivery System - A Value Based Approach**" and submitted by **Khushboo Tyagi** Enrolment No. **IIHMR-U/01/2020-22/1115** is the bonafide record of my original research work. I declare that it has not been submitted to any other university or institution for the award of any degree or diploma. Information derived from the published or unpublished work of others has been duly acknowledged in the text.

TO WHOMSOEVER IT MAY CONCERN

This is to certify that dissertation titled "**Redefining The Healthcare Delivery System - A Value Based Approach**" is a record of the research work undertaken by Dr. Khushboo Tyagi in partial fulfilment of the requirements for the award of the degree of MBA(Hospital and Health Management) from the IIHMR University, Jaipur under my guidance and supervision and her approach to the research study has been sincere, scientific, and analytical.

Faculty Guide
The IIHMR University, Jaipur

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The IIHMR University, Jaipur

ABSTRACT

Background: Value based healthcare is emerging as a new model for healthcare delivery as the FFS system does not guarantee the quality of service whereas VBHS can be more patient centric and proves to be adding more value to the services. In this system, remission is end result based and that the physicians are benefited with upscale of treatment reimbursement if the treatment was of a supreme quality and above a good certain point so it is more inclined towards quality rather than just numbers. The major aims of value-based care are accelerating patient's experience, a standard cost of services and outcome of a particular disease, treatment through synergistic line of activities and that the end result could be measured, Continuum of care. Implementing VB Care would require building blocks of public health. In India, as it is largely based on "Fee for service" and "Out of pocket expenditure" is very common. Government would play a major role in implementing this system and as Ayushman Bharat with its public funding and focusing both on curative and preventive care, would put in place the under structure for value based care in India.

Methodology: A descriptive study conducted through secondary research or desk review using publicly available data sources, to identify if India is ready for implementing value-based care and the impact of this on the healthcare system in India. Data has been taken from consulting reports, few studies done on Value based care in Asian environment and also from countries like USA, Germany, Japan who have already well established system and has proven to be more effective in terms of clinical care outcome.

Conclusion: As already stated by WHO, the definition of health that was released could vary across different populations. The main problem of today's world is "aging population with long term conditions and risk factors exposure. The definition of health will guide as to how to run healthcare system." The value-based healthcare system will not only guide us to evaluate the business, price and cost but also stresses on the end result care. Outcomes matter to the patients and not practitioners and it covers all the necessary things in a complete care cycle. The concept of value-based care must be executed with an accurate health payment scheme, inter-professional work by the providers and also appropriate usage of IT to deliver proper healthcare. It also attempts to humanize people rather than just looking this as business that just focuses on range of services. Outcomes depend on "Quality of life", This concept fits best with Hippocrates's quote "To cure sometimes, to treat often, to comfort always."

KEYWORDS : "Value based healthcare", "Qualitative research", "Implementation process", "Patient centric", "Health-outcome measurement"

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ABBREVIATIONS

Bn	"Billion"
EHR	"Electronic Health Records"
EMR	"Electronic Medical Records"
FFS	"Fee for Service"
GDP	"Gross Domestic Product"
HTA	"Health Technology Assessment"
IA	"Improvement Approaches"
IDS	"Integrated Data Storage"
IF	"Impact factor"
INR	"Indian Rupee"
IRDAI	"Insurance Regulatory and Development Authority of India"
IT	"Information Technology"
NICE	"National Institute for Health and Clinical Excellence"
NIH	"National Institute of Health"
PROMIS	"Patient Reported Outcome Measurement Information System"
PwC	"PricewaterhouseCoopers"
RBV	"Resource Based View"
UK	"United Kingdom"
us	"United States"
USD	"United States Dollar"
VBHC	"Value Based Healthcare"
VBHS	"Value Based Healthcare system"
WHO	"World Health Organisation"

1. INTRODUCTION

Value-based healthcare is a representation wherein healthcare practitioners are getting reimbursed based on their outcome of a patient's health while maintaining overall cost efficiency. In this era, most of the developed countries like the USA, Japan, Canada, Germany have started aligning towards a value-based healthcare system because of its promised sustainability and flexibility. This is because of the highly competitive healthcare sector that offers better and alternative care options for the patients. With the strong penetration of the internet, information is readily available, and patients increasingly seek personalized healthcare. Moreover, value-based healthcare is rising in popularity and acceptance as modern healthcare informatics enables the collection and dissemination of outcome data with all stakeholders.

The objectives could be stated by the following equation that can be written as follows:

$$\text{"Objectives = Low Cost+ High Quality+ Wide Accessibility"}$$

According to their requirements or usefulness in various contexts, the relative importance of "Traits," "Cost," "Quality," and "Accessibility" might change. Whatever the case, when we try to imply estimate value, we mean some significant definition of growth in "Quality," while decreasing cost and increasing availability. When we realise that a medical care management framework is composed of innumerable widely dispersed components connected by intricate cycles, the relevance of the aforementioned situation becomes apparent. Medical care executives are becoming increasingly concerned with how the whole framework is operating, and they intend to increase the motivation for their frameworks.

Health is defined by WHO(1948), as "a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity."

This meaning of wellbeing has been getting consideration, as it appears to be old in the 21st century, because of the development of ongoing sicknesses in the maturing populaces. These days, with the expanding number of hazard factor openings and the use of early screening techniques, it is hard to accomplish "health". Persistent conditions as of now represent three-quarter of the wellbeing consumption around the world. This idea of wellbeing drives us how much we practice medical services, including the selection of the most appropriate wellbeing conveyance framework and financing. Today's definition likewise directs us on how we measure results of clinical intercessions.

WHO definition enlightens as, "there are three parts of health to consider: physical, mental and social wellbeing." Wellbeing in actual space mirrors the capacity of people to keep up physiological homeostasis through evolving conditions, or "allostasis". Ailment results from ineffective physiological method for dealing with stress during hurtful conditions. The psychological area expresses the feeling of soundness to adjust and oversee ourselves to improve emotional prosperity. At long last, a person's ability to oversee life is remembered for the space of social wellbeing, where association with other living articles and conditions occur. These three spaces of wellbeing decide how we measure wellbeing results. Ongoing

advancements in wellbeing research carry all to the consistently evolving new proof based medication. The apt proof about the meta-examination/ efficient surveys depends on very much led clinical preliminaries. The proof should guide us to one component of wellbeing; without a doubt, yet all perspectives ought to be considered by and by. A treatment may delay endurance rate yet penance useful status while some other has marginally reduce endurance rate however improves useful status fundamentally. Doctors ought to think about all the three "Physical", "Mental", and "Social" spaces while choosing the most apt mediation.

Reappearing "value-based healthcare" idea as of late powers everyone to re-examine every parts of everyone's wellbeing practice, these days, to convey as well as to keep up the soundness of a populace. The Economist Intelligence Unit characterizes esteem basis medical care of "the creation and activity of a wellbeing framework that unequivocally focuses on wellbeing results which make a difference to patients comparative with the expense of accomplishing this result". The idea of significant worth based medical services queries the requirement of forceful, preventive or therapeutic mediations that cost a great deal however have not many results, while being ineffectual and wasteful clinical practice. Then again, this urges us to not look for administrations to bring down cost while forfeiting results. Current medical care likewise has four statutes: proof based, patients focused and comprehensive of carers including the local area, nonstop and composed, and morally strong and controlled. This survey means to portray the today's comprehension of healthy practice to execute value based medical care.

The conventional fee-for-service model and the forthcoming value-based care model are the two main categories of healthcare models (from a payment standpoint).

What is value-based care?

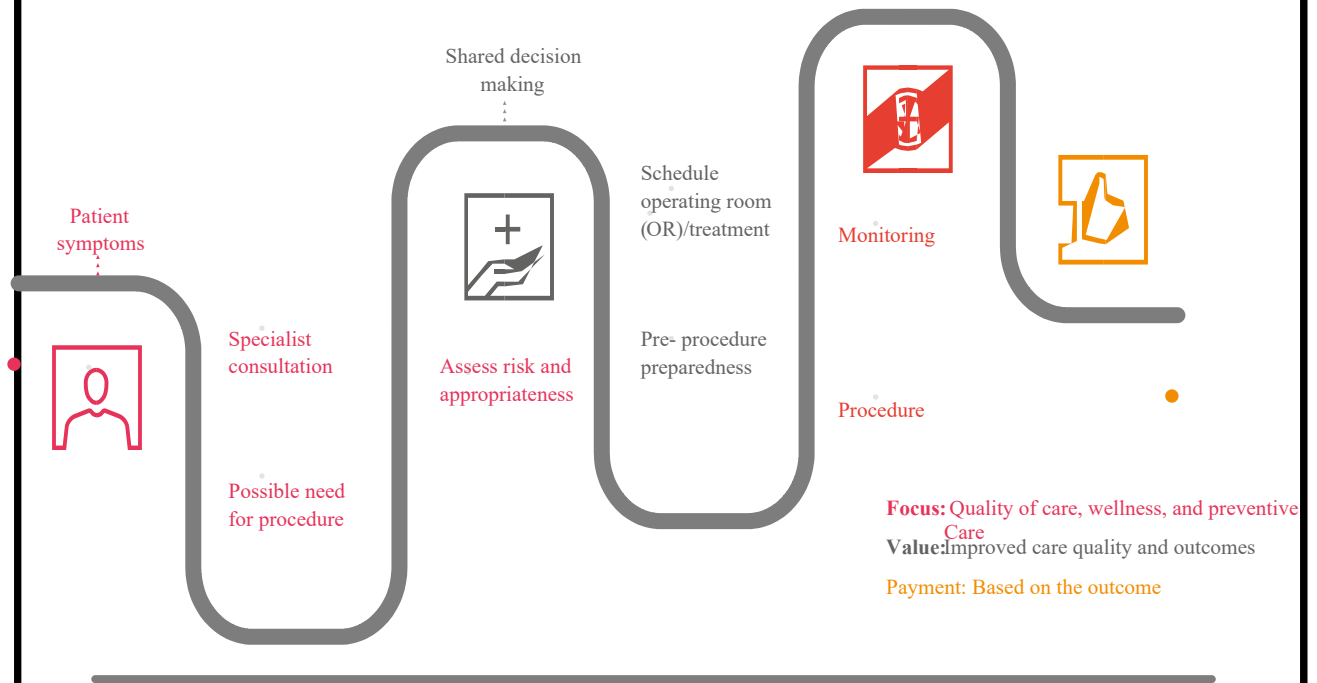
There are two major kinds of healthcare models (from a payment perspective): The traditional fee-for-service and the upcoming value-based care model.

Parameters	Fee for service (FFS)	Value-based care
Relevance	Traditional healthcare model	New age healthcare model
Reward	Quantity-based system in which fees are paid for every service provided	Quality-based system in which fees are paid based on the outcome of the treatment
Patient centricity	Creates a conflict of interest as it provides incentives to caregivers based on a higher number of visits, procedures, tests, treatment, etc., which may not be in line with patient health and wellness.	Patients are at the centre of care; providers are incentivised to provide appropriate care and treatment designed to promote health and wellness rather than excessive treatment and profit.
Outcome measurement	Not done on a regular basis. Also, there are no defined metrics.	Reimbursements are usually linked to meeting particular performance criteria.

Source: Fakkert, M, Etennaam, F V., & Wierma, V. (2017). Five reasons why value-based healthcare is beneficial. HealthManagement.org, 17(1). Retrieved from <https://healthmanagement.org/c/healthmanagement/issuearticle/five-reasons-why-value-based-healthcare-is-beneficial>
Industry discussions and PwC analysis

5 | Value-based healthcare

Care delivery must prioritise integrated, evidence-based care through collaborative decision making at the level of healthcare providers



A provider-level approach to care would promote collaborative decision-making, enhance the course of treatment, and ensure that the patient receives the best care possible at the lowest possible cost..

2. REVIEW OF LITERATURE

There were a number of researches that were done for "value based healthcare" as it is implemented in few countries and proved to be a better outlook for the healthcare delivery system. Here are few of the reviews globally to add a different perspective to this study.

As discussed by Nilsson K, Baathe F, Andersson AE, Wikstrom E, Sandoff M_This article - "Experiences from implementing value-based healthcare at a Swedish University Hospital - a longitudinal interview study. Implementing the value-based healthcare concept (VBHC) is a growing management trend in Swedish healthcare organizations. The aim of this study is to explore how representatives of four pilot project teams experienced implementing VBHC in a large Swedish University Hospital over a period of 2 years. The project teams started their work in October 2013."

Kaplan RS, Porter ME This article studied about "how to solve the cost crisis in healthcare. Much of the rapid escalation in health care costs can be attributed to the fact that providers have an almost complete lack of understanding of how much it costs to deliver patient care. Thus they lack the knowledge necessary to improve resource utilization, reduce delays, and eliminate activities that don't improve outcomes. Pilot projects under way at hospital systems in the U.S. and Europe demonstrate the transformative effect of a new approach that accurately measures costs-at the level of the individual patient with a given medical condition over a full cycle of care-and compares those costs to outcomes". "As providers and payers better understand costs, they will be positioned to achieve a true", "bending of the cost curve" "from within the system, not based on top-down mandates." "The sheer size of the opportunity to reduce health care costs-with no sacrifice in outcomes-is astounding."

Fredriksson JJ, Ebbevi D, Savage C: This study was about "Pseudo-understanding: an analysis of the dilution of value in healthcare. This article identified four aspects in the trend-starting article, 'What is value in healthcare', of which value and outcomes were the most cited. More than one-quarter of the citing texts demonstrated no understanding of the aspect referred to; most demonstrated a superficial understanding. Level of understanding was inversely related to journal impact factor (IF), and did not change significantly over time. A deeper understanding was demonstrated in those articles that repeatedly cited the trend-starting article. None of the four aspects were understood at a level required to develop the management concept of VBHC. VBHC may be undergoing a process of dilution rather than diffusion. To break the cycle of management trends, we encourage a deeper reflective process about the translation of management concepts in healthcare."

Abdallah A. This article stated "Implementing quality initiatives in healthcare organizations: drivers and challenges. Various quality initiatives seem to have successful implementation in some healthcare organizations yet fail in others. This paper sets out to study the literature trying to understand drivers and challenges facing quality initiatives implementation in healthcare organizations then compare findings from literature with those of a structured questionnaire answered by 60 representatives from 18 hospitals. Finally it proposes a framework that mitigates challenges and utilizes drivers to ensure best implementation results. This research reveals that internal factors related to leadership and employees greatly affect quality initiative success or failure. Design and relevance play a major role in successful implementation."

Mamadou Kaba Traore, Gregory Zacharewicz, Raphael Duboz, Bernard Zeigler. This article studied about "Modelling and simulation framework for value based healthcare systems."

A healthcare system is made up of several scattered components that are connected by complex procedures, regardless of how its operations are organised. Understanding the behaviour of the overall system is a problem for managers and decision-makers in the healthcare industry. This research suggests a modelling and simulation framework to facilitate a comprehensive analysis of healthcare systems by stacking the levels of abstraction into different viewpoints and integrating them in a common simulation framework. In each of the viewpoints, models of the many components of a healthcare system may be built and integrated. Through explicit assumptions and simplifications in such models, which abstract issues from other viewpoints as parameters, we reflect the parameter values of other views. We display the parameter values for different perspectives.

Willard C.Harrill, David E.Melon This article studied " Peer-reviewed literature does not yet have a comprehensive state-of-the-art analysis of American healthcare reform initiatives that outlines the development of value-based healthcare (VBH). This field manual makes an effort to define key terms and outline conceptual frameworks in the context of earlier U.S. healthcare reform initiatives that share common themes with the VBH reform paradigm. Eight healthcare reform concepts, including population health, individualised medicine, precision medicine, managed care, and accountable care, were shown to be important forerunners of value-based healthcare. Many of these models have a common nomenclature, and confusingly, many of the terminology used to define these models have various meanings. But in these models, the "Big 3"—the patient, the doctor, and the payer—are routinely referred to as stakeholders.

Christian Collden, Ida Gremyr, Andreas Hellstrom, Daniella Sporraeus This article studies about" A taxonomy of healthcare improvement methods based on value. To increase value, a number of improvement methods (IAs) have been established. The idea of value is becoming more and more popular in healthcare. In this study, a taxonomy that helps the administration of parallel IAs in the healthcare industry is constructed.

Respondents acknowledged the suggested taxonomy's aspects and underlined its value in guiding the selection and fusion of various IAs into a cohesive management model as well as in fostering discussion on IAs.

The study's findings showed that, in contrast to health professionals, who are less enthusiastic about seeing value as a process, the perspective of value as "health outcomes" is pervasive

Judith F. Baumhauer, Kevin J. Bozic_This article studied about" Clinical decision making results based on patient feedback. measured results viewed via the eyes of the patient. Used a promise (Patient reported outcome measurement information sys-tem). It is the result of a US\$100 million NIH project to provide accurate, reliable measures of a patient's physical, mental, and social well. The patient may quantify what she or he can accomplish and how she or he is feeling with the use of the numerous tools in the PROMIS toolset.

G.Seara, A.Paya, J.Mayol This article studied about "Value based healthcare delivery in the digital era. To analyse the contradictions between the design and the theoretical structure of mental health services and the possibilities to evaluate the actual value of the delivered care. used a tool provided to clinicians by the Madrid's Regional Health Service SERMAS ('ConsultaWeb') combining primary care, pharmacy and hospital data ($n = 395,073$ patients for the catchment area), and a set of hospital-based data (patients attended by psychiatrists at the ER, $n = 13,877$, and patients admitted to the Psychiatric Inpatient unit $n = 3318$), to explore some of the present professional information resources. Currently used healthcare databases only describe the diagnostic or therapeutic categories of patients and might be used to detect abnormal behaviour. However, they are neither able to show the functional status of patients nor designed to predict their clinical course. A clearer definition of value in patient outcomes is needed. This might help to organize the healthcare delivery and to create a new information system that would allow to assess health outcomes."

Isao Kamae This article studied about "Value based approaches to healthcare systems and Pharmacoeconomics requirement in Asia. Despite the diversity in the region, there has been enormous growth in health economics and outcomes research since the beginning of the 21st century. Whilst Japan has seen very limited use of health technology assessment (HTA), South Korea, Taiwan and Thailand have had remarkable success in establishing government agencies for HTA, employing HTA concepts from the UK National Institute for Health and Clinical Excellence (NICE). These three countries are driven by the following common factors: (i) a desire to establish universal healthcare insurance coverage in their respective nations; (ii) the need for rational allocation of scarce resources; (iii) a desire for government to provide leadership in HTA; and (iv) availability of HTA professionals and faculties through international networks. The HTA models introduced by these three countries are both similar to and different from those of HTA agencies in Europe, but might work well as examples for other countries in the region."

Tawseef Ahmad Naqishbandi, N.Ayyanathan This article studied about "Clinical Big Data Predictive Analytics Transforming healthcare: An integrated framework for promise towards Value based healthcare. Modern data driven clinical healthcare application system development requires interdisciplinary and technical expertise to find hidden values from large volume of clinical data. Predictive big data analytics in combination with other technologies like machine learning is growing and is attracting much attention. Therefore, there is a need of integrated healthcare framework which can utilize the power of Predictive analytics, big data; Machine learning. In this paper, we have presented an integrated framework for handling clinical data, which can act as reference for adoption and integration of clinical data. The purpose of the proposed integrated framework for Healthcare Clinical big data predictive analytics is to explore and combine the power of various analytical techniques and technologies so as to provide a comprehensive solution for value based healthcare. This framework is further committed to transform our perspective towards value based healthcare."

Dr. Joannee Meehan, Lura Menzis, Roula Michelides This article studied about "The long shadow of public policy barriers to value based approach in healthcare procurement. The antecedent roots of price-based approaches are unpicked through a hermeneutic analysis of recent Government commissioned reports to show how these have set the tone, culture and

priorities for healthcare procurement in the UK. The analysis provides explanatory power to the case study by illustrating how Government reports have led to, and legitimised the dominance of price-based approaches and caused relational and resource-based barriers to adopting value-based procurement, despite stakeholder enthusiasm. The findings provide unique insights into why public procurement has struggled to reach beyond its traditional cost orientated scope. We contribute to an extended consideration of the RBV in public organisations through identifying the role of the policy environment in determining and legitimatising an organisation's strategic direction."

Ikhwanuliman Putera This article studied about "Redefining health: Implication for value based healthcare reform. Health definition consists of three domains namely, physical, mental, and social health that should be prioritized in delivering healthcare. The emergence of chronic diseases in aging populations has been a barrier to the realization of a healthier society. The value-based healthcare concept seems in line with the true health objective: increasing value. Value is created from health outcomes which matter to patients relative to the cost of achieving those outcomes. The health outcomes should include all domains of health in a full cycle of care. To implement value-based healthcare, transformations need to be done by both health providers and patients: establishing true health outcomes, strengthening primary care, building integrated health systems, implementing appropriate health payment schemes that promote value and reduce moral hazards , enabling health information technology, and creating a policy that fits well with a community."

3. AIM

The study's purpose/aim is to understand "Value-based" healthcare systems and to analyse the preparedness of India to implement VBHS model.

Value-based care aims to improve patient experience and reduce the cost of care

Technology-enabled systems(EHR) will ensure appropriate data availability and analysis to guide improvement measures

4. RESEARCH QUESTION

- What is the need for Value Based healthcare system?
- How can VBHS be implemented in India?
- What impact would VBHS model have on India?

5. OBJECTIVES AND METHODOLOGY

5.1. RESEARCH OBJECTIVES

- To understand Value based healthcare, and their different models.
- To understand the need of VBS system.
- To assess the level of preparedness of India to implement the model.
- To analyse the impact of Value based healthcare in India.

5.2. STUDY DESIGN

Narrative/Traditional Literature review (Desk review)

53. SOURCES OF DATA

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

5.4. DATA COLLECTION AND ANALYSIS

- The qualitative Data were assembled by organized and earmarked secondary research using 'Advanced search' on Google to gather proof that aid value based healthcare. Other platforms like PubMed, consulting reports, news articles were also referred to understand and gather more information.
- Narrative review method was used to derive data.
- The data of the results were gathered by PwC analysis report.
- The recommendations were then formulated with the help of the literature available.

6. RESULTS AND DISCUSSION

6.1. DIFFERENT VBHS MODELS

MODEL	PRINCIPLE	DESCRIPTION	FINANCIAL RISK TO PROVIDER
"Bundled payment"	This type of model a summed up payment for all the services. For eg. Women pregnant and delivering a child. Rather than getting the last bill toward the end the payer knows the measure of the treatment.	• Payer spends less • Physicians profits by the investment funds created by the bundle .If there is any complication the provider might face a risk of losing out on cost savings.	"Medium-high risk"
"Capitation model"	A provider/enterprise collects the set payment per patient for a particular service. It is in the form of one month per patient fee.	• Single payment system for patient. • There is a capped price for each service, when the cost is below the desired price the provider is rewarded but if it exceeds the price then the extra cost would be handled by the provider which is a high risk. For eg. Chronic patients	"High risk"
"Pay for performance"	This model includes incentives linked to the performance of the provider, If the provider is above a set mark then they are rewarded but if it falls below the mark they are penalised.	• Example related to the system is that a vaccination programme has a goal to achieve 90% by the end of 24 months. • If any provider exceeds that goal would most likely be rewarded and would mostly get a bonus over to fees rates	"Low-moderate risk"
"Patient-centric medical home"	This type of payment is focussed on building team of professionals- doctors, technicians, nurses, assistants who are involved in patient care	• This is mostly for chronic disease patients which is usually done to put down readmissions and emergency room visit. • "Providers can negotiate a fee for service rate increase per member."	"Moderate risk"

"Shared risk"	In this model, providers have incentives of cost sharing savings and disincentives about sharing extra cost of service delivery	• This is a pre decided budget and the practitioner covers a part of the cost if the savings target is not achieved. • It is a shared risk cost between the payer and the provider. • The provider can reduce the risk by allotting the financial risk to the third party and them paying when it is extending a certain mark.	"High risk"
"Shared savings"	The "payer" as well as the "provider" enters to form a bond that includes service provided, medical costs including patient attribution. "Providers would submit bills and claims in the routine FFS model."	• Invoice would get capitulated below the FFS system and afterward investigation and survey is done to check the reserve funds created assuming any and if the investment funds goes under a set imprint the supplier is qualified for a specific portion of investment funds. • If the bill is above focus on the supplier isn't charged • One disadvantage of this model is that if the provider works in a cost effective manner then they wouldn't opt this system	"Moderate risk"

6.2. NEED FOR VALUE BASED HEALTHCARE

The need for a reform in healthcare is must in these times to properly allocate our resources and increase our efficiency in healthcare.

The U.S. Has The Most Expensive Healthcare System

Per capita health expenditure in selected countries in 2018



It is evident that United States has the highest public healthcare spending making it the most expensive healthcare system. India is far behind the mark of health spending.

In 2009 United States had the most wasting of healthcare costs. The aggregate amount of unnecessary healthcare costs was "USD 750-765 Bn" (Around one third of the total healthcare spent).

27%	Unnecessary services
7%	Prevention opportunity missed
10%	Fraud
17%	Inefficient services
14%	Exorbitant pricing
25%	Fraud

This led to US Healthcare reform that moved from the traditional fee for service to a team of professionals and health is now a much coordinated and integrated process.

PRINCIPLES OF VBHS:

1. **"Focus on quality":** The emphasis is more patient centric rather than the number of patients getting treated. Patient satisfaction is the most important factor in this system. "Value-based healthcare has proved to be a cost-effective as well as patient-centric delivery system where payment is based on outcome and quality."
2. **"Lack of health coverage":** Developing nations confront an absence about wellbeing inclusion, that mostly is straightforwardly affecting entire availability of medical care administrations to the populace. According to the IRDAI, just "24% of the Indian populace" is covered under open/ private wellbeing coverage. Value-based consideration would be an empowering agent to help in improving the present situation.
3. **"Uncoordinated care":** Most of the healthcare spending are on avoidable medical complications or other unnecessary treatment. Medical error are a biggest cause of death. Value based care would focus more on care that is more functional and prevention strategies would be maintained to avoid any mis happenings.

HEALTHCARE OUTCOME

"Healthcare expenditure is not directly proportional to the health outcome. The outcome might differ depending on the resource allocation and utilization of the resources in delivering services."

"COST PER OUTCOME POINT= Health outcome index/Total healthcare spending."

"HEALTH OUTCOME INDEX - composite outcome of disability-adjusted life years (DALYs), health-adjusted life expectancy (HALE), average life expectancy at age 60 and adult mortality rates."

6.3. IMPLEMENTATION OF VBHS MODEL

BUILDING BLOCKS OF VBHS CARE:

Public funding, the availability of resources, the use of technology, and a collaborative environment are the main building elements for adopting value-based care.

- Willingness to Adapt to the recent year system.
- Elevated healthcare finances from the government.
- Data and technology driven.
- Availability of good infrastructure and resources.
- Shared responsibility and coordination.

CHALLENGES:

1. Lack of proper health infrastructure improper allocation of resources.
2. Lack of proper technology and a good EHR and EMR systems. The central data repository and predictive analysis has to go a long way.
3. As India is dependent on FFS system rewards of doctor is based on the number of procedures performed rather than clinical outcome.
4. Out of pocket expenditure is reasonably inflated when it is collated with the global average.
5. Lack of coordination between different stakeholders.

With the hub on the public funding and curative and preventive care, Ayushman Bharat would form the foundation for "value-based care implementation in India":

- "500 million recipients (- 100 million families to be covered)"
- "1,350 surgical packages covered under the plan"
- "Proposed Aadhaar linkage"
- "Family floater cap of INR 500,000"
- "Premium to be borne 60:40 by the Centre and state"
- "Purchasing to be finished by the National Health Agency and State Health Agency"
- "Both public and private emergency clinics to be empanelled"

STRATEGIC FRAMEWORK FOR VBHC IMPLEMENTATION

1. "Understand shared health needs of patients"

Economics, in general the "service providers" work about a set of defined customers. For eg. Fashion apparel industry is quite a broad sector . Services vary for different age groups and gender as well as from high brands to local brands. These all serve for a particular group of customers. Unlike in healthcare setting most of the services are organised around the service providers. This becomes difficult for the healthcare sector. Failure to adapt to the structure causes inconvenience and lack of integration of services. This increases "burden on caregivers, who too often must improvise to solve routine problems." This causes the healthcare to become most "expensive and does not deliver better results for the patients."

For the healthcare to be organised it needs to be in segments like people with systemic conditions. This would allow clinical teams to effectively provide services which are required on general basis. This gives them provision to customise services with victims with various needs.

2. "Design a comprehensive solution to improve health outcomes"

Broadening administrations limiting only for the treatment as well as for the general advantage of the patients wellbeing. Like, for instance, a centre for patients with headache cerebral pains may give drug treatment as well as mental advising, exercise based recuperation, and unwinding preparing. Additionally, a facility for patients with malignant growth may incorporate transportation help as an assistance for the individuals who experience issues getting to their standard chemotherapy arrangements. Expanding and coordinating the administrations gave to patients accomplishes better results by distinguishing and tending to holes or obstructions that sabotage patients' wellbeing results.

3. "Integrate learning teams"

Making a multidisciplinary groups for the general construction of the association. A compelling group incorporates administrations , diminishing or in any event, killing the requirement for facilitators. Colleagues are regularly co-found, empowering incessant casual correspondence that supplements the conventional channels of correspondence to guarantee successful and productive consideration. What can be basic is thinking altogether to upgrade and customize care and study together so wellbeing results improve with experience. The group construction could likewise grow beyond areas, expanding best in class information to far off clinician.

4. "Measure health outcomes and costs"

Perceiving that the fundamental motivation behind medical services is "improving the strength of patients , it is aphoristic that medical care groups should quantify the wellbeing results just as the expenses of conveying care for every persistent." Pioneers can't adjust medical care

associations with their motivation without estimation of wellbeing results. Furthermore, the current deficiency of precise wellbeing results and cost information obstructs advancement.

Estimation of results permits groups to realize they are succeeding. Estimating wellbeing results likewise gives the information expected to improve care and effectiveness. "In spite of the fact that guardians are troubled with detailing reams of data, they seldom reliably track the wellbeing results that matter most to patients and hence to themselves as clinicians. Cost and wellbeing results information likewise empower condition-based packaged instalment models, enabling groups of parental figures to recover proficient independence and practice clinical judgment-two fundamental components of expert fulfilment and incredible cures to the torment of burnout."

5. "Expand Partnership"

Sorting out care receivers with some common necessities and exhibiting elevated worth in care set out open doors to grow associations and improve wellbeing results for additional individuals. For example, with proof of care that has less intricacies and permits representatives to get back to work all the more rapidly, businesses are progressively able to sign up straightforwardly with suppliers and also are ready to increase the pay per degree of the care that they had already been receiving, on the grounds that quicker and more full recuperation diminishes other boss expenses, for example, those related with non-appearance. "Associations among clinical associations may likewise extend as groups acquire skill and the capacity to work across more phases of the consideration cycle or more areas. Incorporated groups may work with accomplices for a variety of reasons, like utilizing new innovation to impart data to patients, supporting provincial clinicians as they give patients care near and dear, or offering administrations to help way of life changes locally."

6.4. IMPACT ANALYSIS VBHC IN INDIA

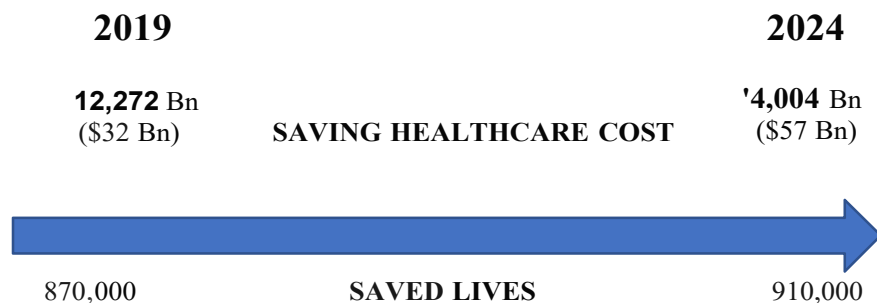
When the new healthcare system would be adopted in India, it would result in the today's fragmented care into tomorrow's circle of care:

NOW	INDIAN HEALTHCARE	FUTURE
Fragmented	Care Offered	Cycle Of Care
Less Transparency	Transparency	Transparency
Provider Dependant	Treatment	Evidence Based
Vendors	Stakeholders	Partners
Revenue Generation	Business Aim	Expense Management
Quantity	Reward	Quality
Subject Of Care	Patient	Leads Care Provision

"Future circle of Value-based Healthcare":

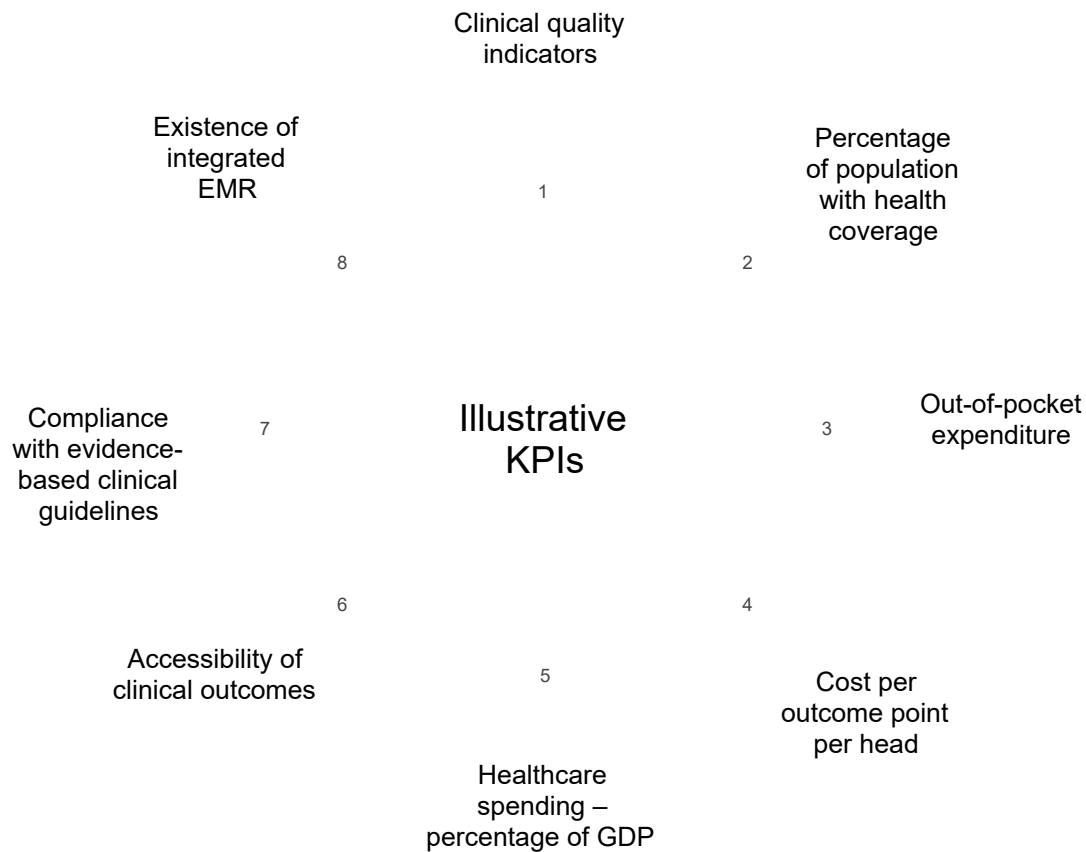
1. "Virtual Health"
2. "Diagnostics"
3. "Pharmacy"
4. "Hospital"
5. "Home Healthcare"
6. "Payer"

When the right implementation of healthcare would happen in India, it would significantly reduce the costs and improve the clinical outcomes.



Using quantifiable indicators for evaluating cost parameters and quality of care outcomes, value-based healthcare success may be assessed at all levels.

Observing the Key Performance Indicators below would aid in examining the acceptance rate by healthcare providers -



7. RECOMMENDATIONS

If value-based healthcare has to be implemented in India, there are few recommendations that can help for a smooth transition for better yielding results

- Increase financing by the government (public finance).
- Create a system-based healthcare network wherein all the different sectors of healthcare work in a coordinated manner.
- Proper Allocation of resources and proper distribution of resources.
- Form a committee to supervise the above process.
- Create a strong IT technology and penetrate it to the rural areas for better access of healthcare facilities.
- Focus on the outcome rather than just the number of patients getting treated.

It is a difficult transition because of the resistance to change by most. But this is a very effective solution for the current scattered healthcare scenario. This will not only boost the economy but also will result in a healthy economy in which priority would be good health of the people of the society. Government will play a crucial and an important role in redefining the health structure in India.

8. CONCLUSION

Value based healthcare is a new model of the healthcare delivery system that has proved to be more effective in terms of clinical outcome rather than the reimbursement of fees for the physician. This is more patient centric and proves to change the health delivery system for the good. Although the WHO has delivered the meaning of wellbeing, the insight toward wellbeing could shift across populaces. We are presently confronting a maturing populace with persistent conditions and hazard factors openness. The exact meaning of well-being will direct us concerning how we run a medical care framework. The presentation of significant worth based medical care term moves us to assess the businesses, and to discuss cost and cost as well as accentuate results. Results are something that make a difference to the victim , not doctors , and should cover every essential pointers to victims in a full pattern of care. This idea about significant worth based medical services should be acknowledged alongwith the execution of a proper wellbeing instalment conspire, instigating coordinated and teamed up work by suppliers and its utilization to convey effective medical services. The idea of significant worth based medical care lines up with patient-focused consideration that attempts to acculturate individuals instead of to view at wellbeing as a business ware by giving a scope of administrations. Results don't rely entirely upon mortality, yet in addition on the personal satisfaction. The concept would fit apt with Hippocrates's quote "To cure sometimes, to treat often, to comfort always."

A demonstration by Frist recognizes a few parts of the mentioned points above. He attempted to show how we could lead medical services well these days. He portrayed a patient who is consistent with his drug. He at first chose an essential consideration by contrasting their online accreditations, accessible execution rankings, and estimating from solid data stages. He likewise had his own electronic clinical record which can be gotten to by all wellbeing suppliers with his authorization. In the event that one day, he has myocardial dead tissue and this is out of his home and with the standard clinical supplier, a close by crisis division can get to all the essential clinical information with his consent. The payment would be then made by the back-up plan that is actually a bit on the higher side than that of the contenders who are in view of a better calibre and execution. Hence, the creator recommends growing essential consideration in esteem based medical care by additionally using IT and IDS to conquer hindrances in conveying the most proficient medical services. India needs to zero in on reinforcing the essential medical care so the change to the better approach for medical care conveyance framework is smooth.

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