

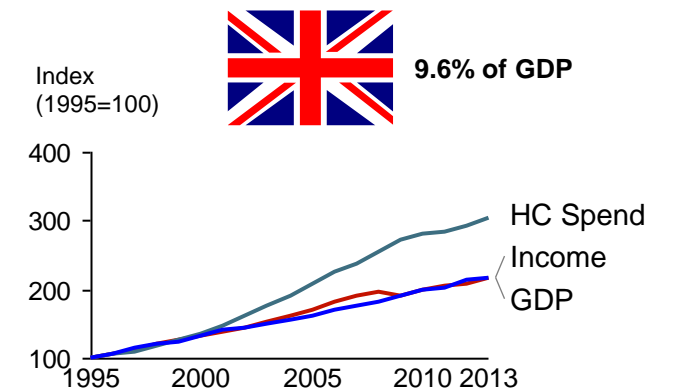
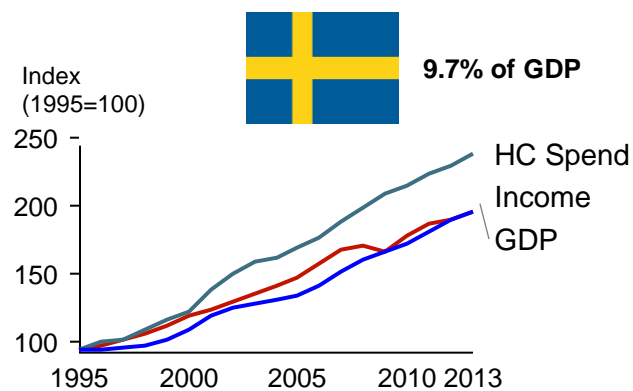
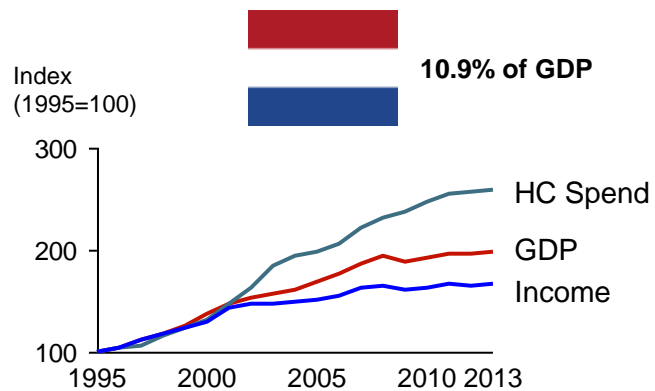
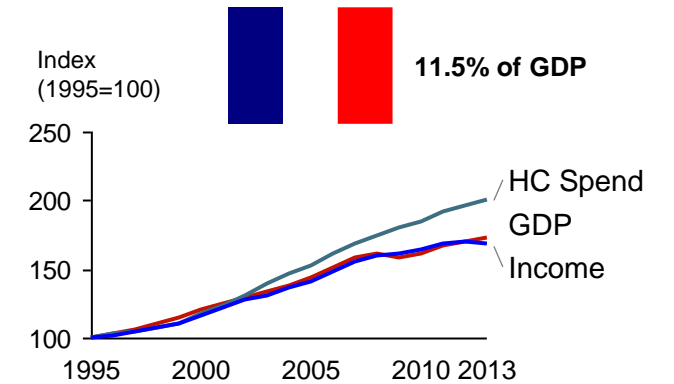
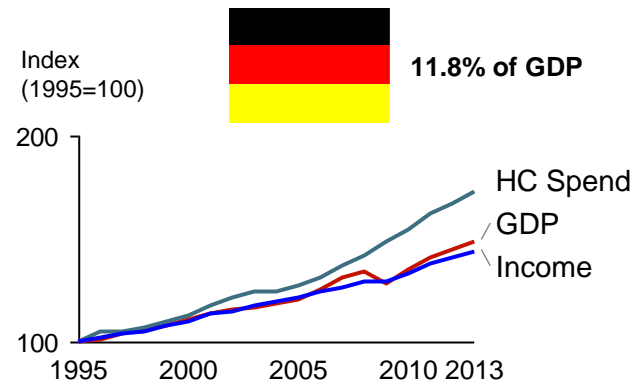
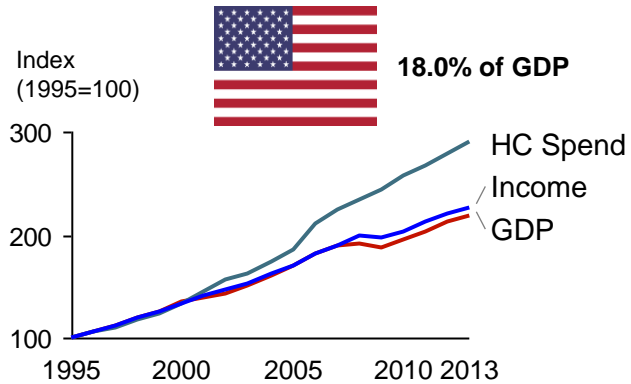


# The Strategy to Transform Health Care and The Role of Outcomes

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OECD Policy Forum  
People at the Center: The Future of Health  
Paris, France  
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*January 16, 2017*

# The Health Care Problem is a Global Issue

## Health Care Spending vs GDP and Income



# Variation in Quality Within and Across Countries

**2x** Variation in 30-day mortality rate from heart attack in US hospitals



**4x** Variation in bypass surgery mortality in the UK hospitals



**5x** Variation of major obstetrical complications among US hospitals



**9x** Variation in Dutch hospitals' complication rates from radical prostatectomies in the Dutch hospitals



**18x** Variation in reoperation rates after hip surgery in German hospitals



**20x** Variation in mortality after colon cancer surgery in Swedish hospitals



Variation is pervasive across conditions and all types of outcomes wherever systematic data is available

# Incremental “Solutions” Have Had Limited Impact

- Prior authorization for expensive services
- Patient copayments and deductions
- Electronic medical records
- Evidence-based medicine
- Safety/eliminating errors
- Introducing “lean” process improvements
- Care coordinators
- Retail and urgent care clinics
- Programs to address generic high cost areas (e.g. readmissions, post acute)
- Mergers and consolidation



- **Restructuring health care delivery** is necessary, not incremental improvements

# Solving the Health Care Problem

- The fundamental **goal and purpose** of health care is to improve **value for patients**

$$\text{Value} = \frac{\text{Health outcomes that matter to patients}}{\text{Costs of delivering these outcomes}}$$

- Delivering high value health care is the **definition of success**
- Value is the only goal that can **unite the interests** of system participants
- Improving value is the **only real solution**



- The question is how to design health care delivery systems and organizations that **substantially improve patient value**

# Principles of Value-Based Health Care Delivery

- Value **cannot be understood** at the level of a hospital, specialty, intervention, or for overall primary care
- Value is created in caring for a patient's **medical condition** over the **full cycle of care**

$$\text{Value} = \frac{\text{Set of outcomes that matter to patients for the condition}}{\text{Total costs of delivering them over the full care cycle}}$$

- In **primary and preventive care**, value is created in serving **segments of patients** with similar primary and preventive needs



- The most powerful single lever for reducing cost and improving value is **improving outcomes**

# Creating Value-Based Health Care Delivery

## The Strategic Agenda

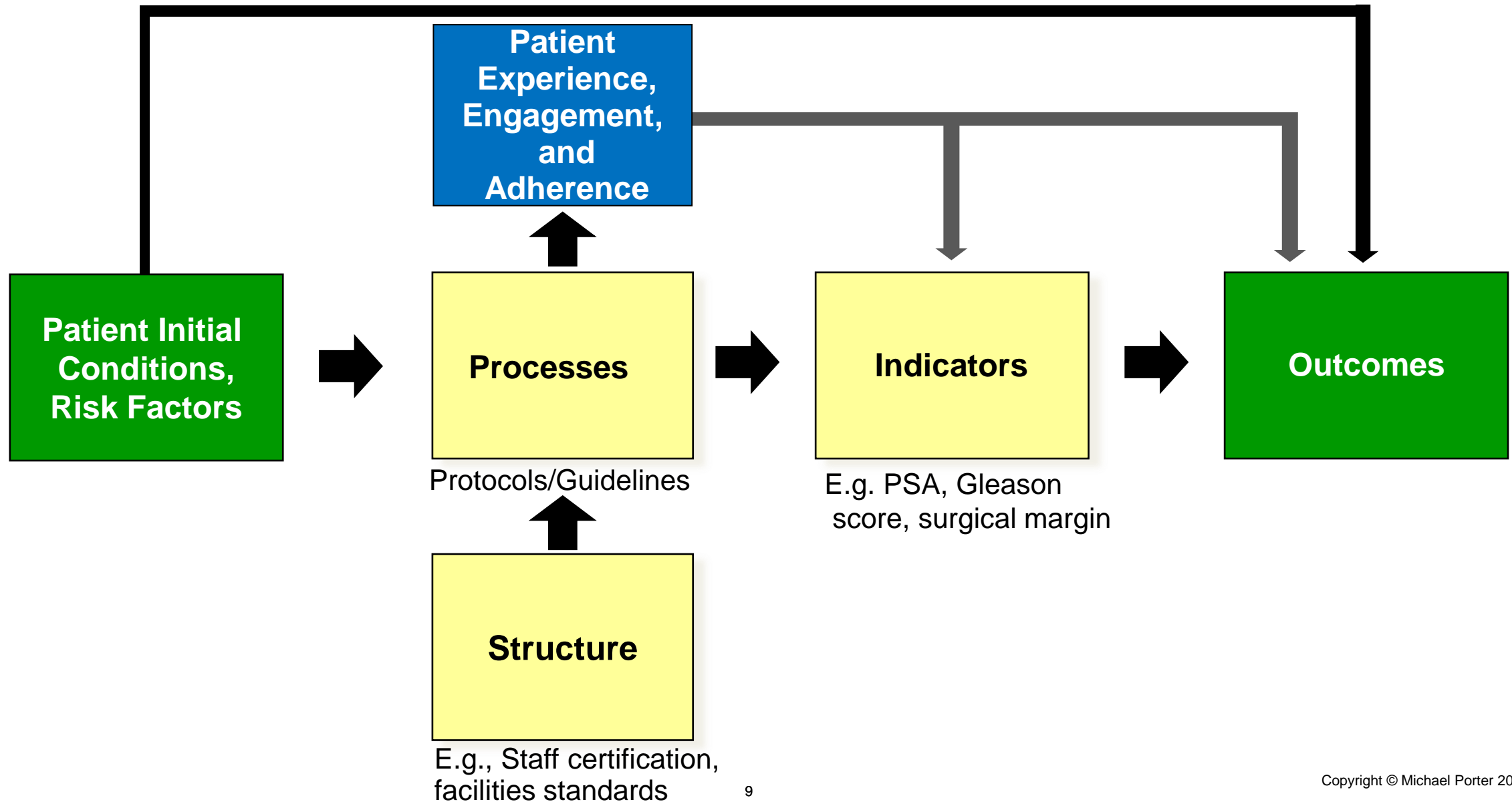
1. Re-organize Care around Patient Conditions, into **Integrated Practice Units**
  - For primary and preventive care, IPU's serve **distinct patient segments**
2. Measure **Outcomes** and **Costs** for Every Patient
3. Move to Value-Based Reimbursement Models, and Ultimately **Bundled Payments** for Conditions
4. Integrate Multi-Site Care Delivery **Systems**
5. Expand or Affiliate **Across Geography** to Drive Excellence
6. Build an Enabling **Information Technology Platform**

# The Power of Outcome Measurement in Value-Based Health Care

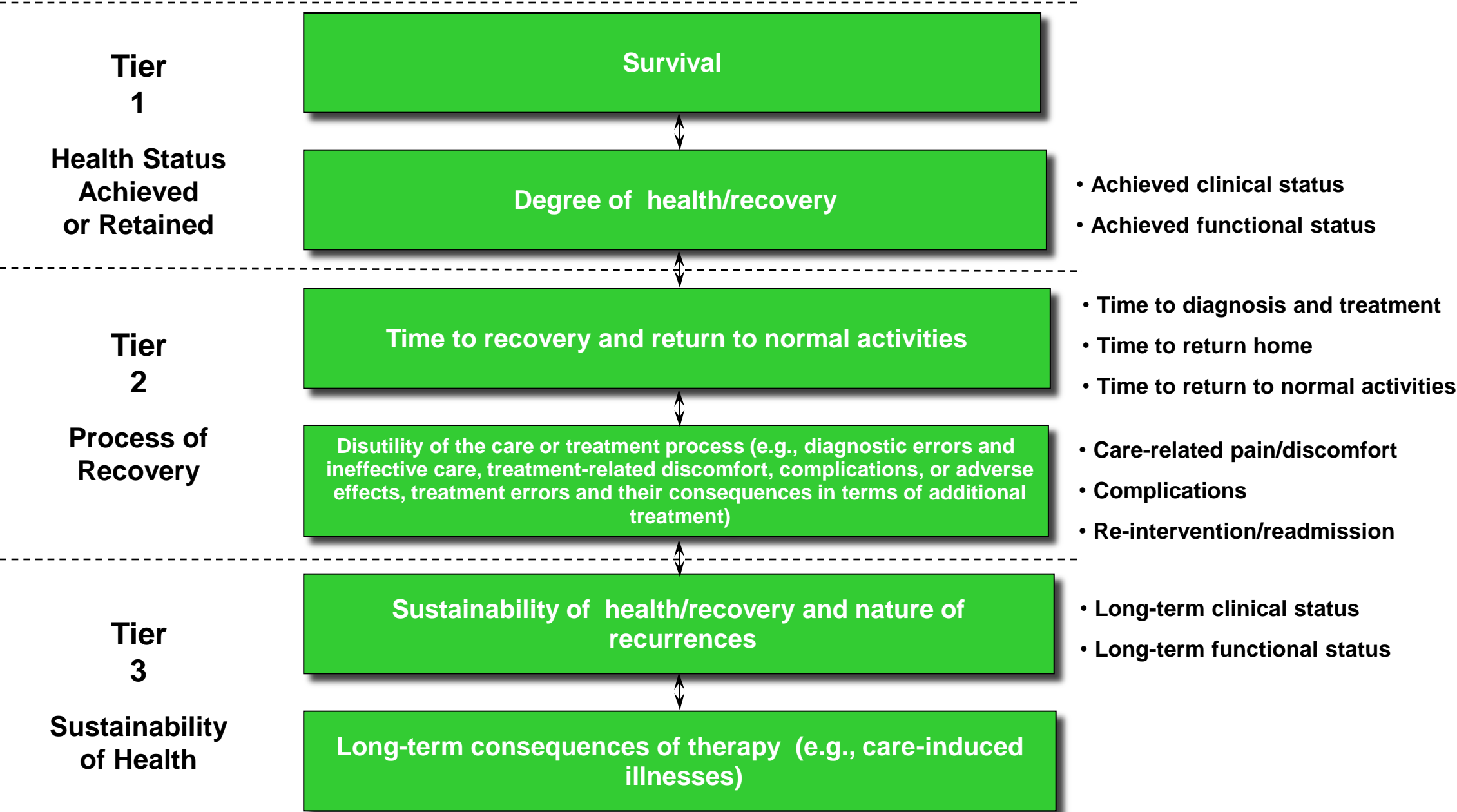
- Outcomes are the most important information for **patients**
- Outcomes **define success** for every clinician and health care organization
- Outcomes drive **multidisciplinary care** and care innovation
- Outcomes are essential components of any **value-based payment model**
- Outcomes validate **cost reduction** that is truly **value-enhancing**
- Outcomes validate the areas for **service line growth** and **affiliation**



# The Quality Measurement Landscape



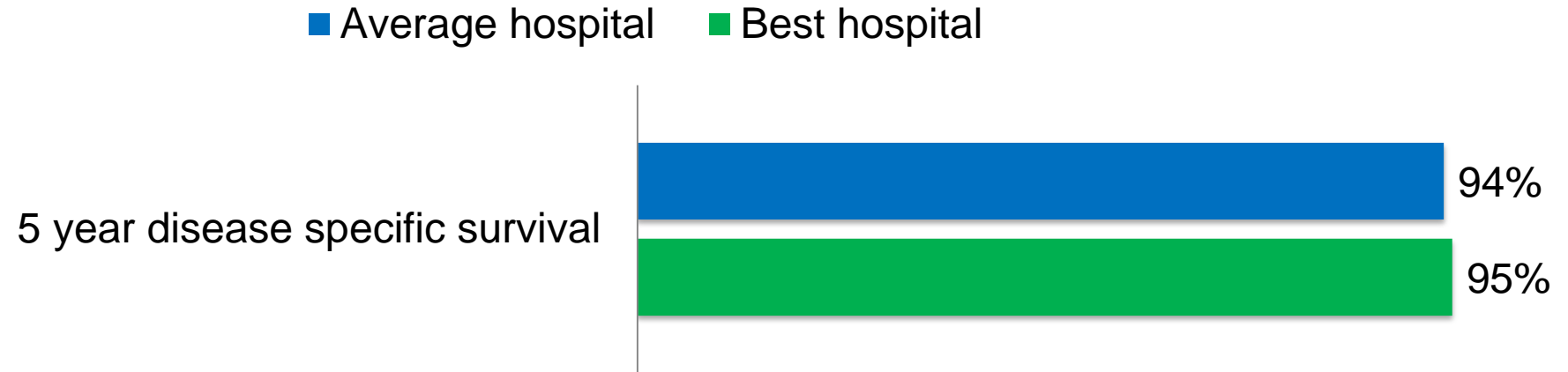
# The Outcome Measures Hierarchy



Source: NEJM Dec 2010

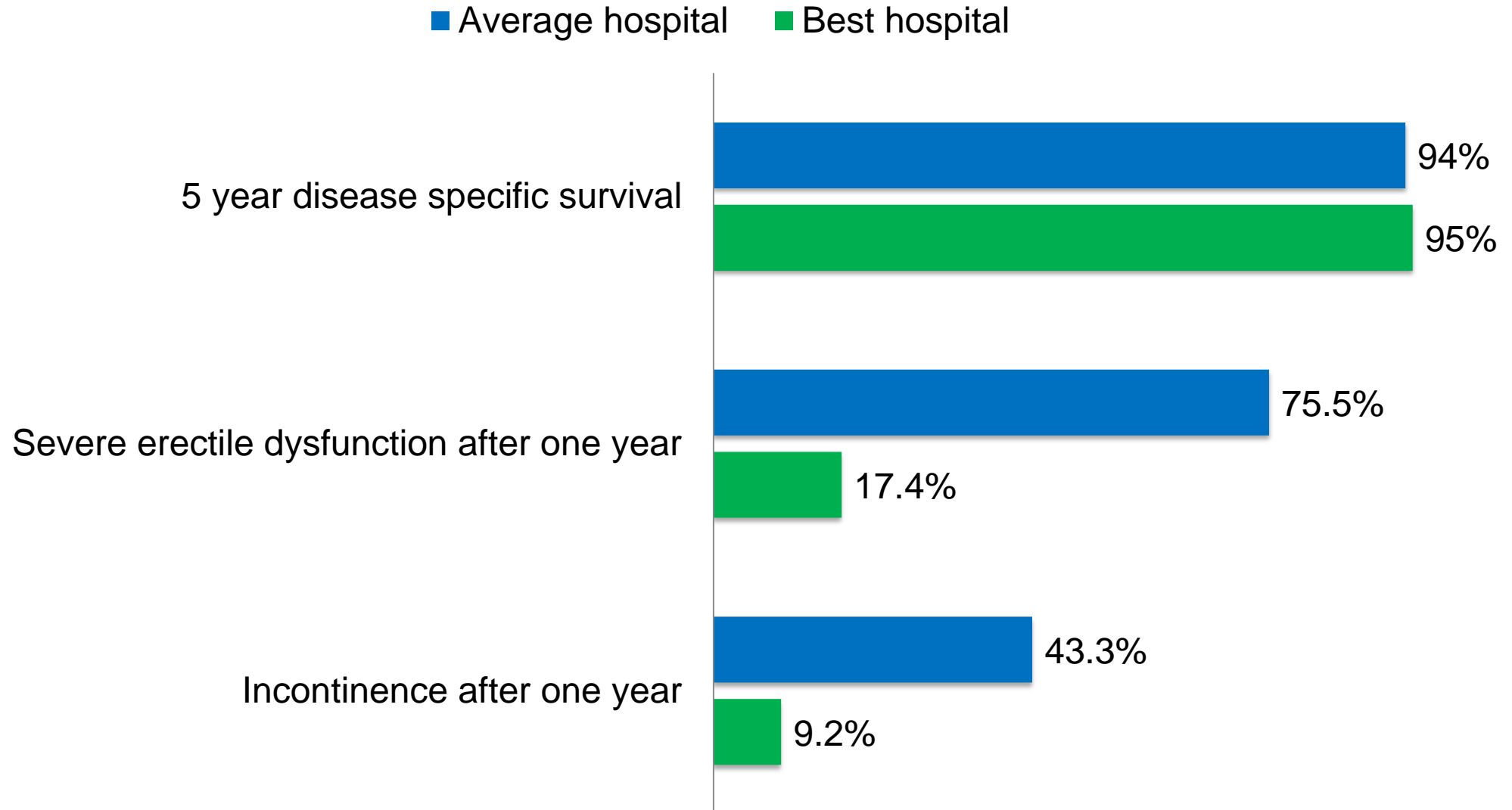
# Measuring Multiple Outcomes

## Prostate Cancer Care in Germany



# Measuring Multiple Outcomes

## Prostate Cancer Care in Germany



Source: ICHOM

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# The International Consortium for Health Outcomes Measurement



## Our mission:

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 **driving adoption and reporting** of these measures worldwide

# Standardizing Minimum Outcome Sets

## ICHOM Standard Sets

Standard Sets Complete (2013)	Standard Sets Complete (2014)	Standard Sets Complete (2015-16)	Committed/ In Process
<ol style="list-style-type: none"> <li>1. Localized Prostate Cancer *</li> <li>2. Lower Back Pain *</li> <li>3. Coronary Artery Disease *</li> <li>4. Cataracts *</li> </ol>	<ol style="list-style-type: none"> <li>5. Parkinson's Disease</li> <li>6. Cleft Lip and Palate*</li> <li>7. Stroke *</li> <li>8. Hip and Knee Osteoarthritis*</li> <li>9. Macular Degeneration*</li> <li>10. Lung Cancer*</li> <li>11. Depression and Anxiety</li> <li>12. Advanced Prostate Cancer *</li> </ol>	<ol style="list-style-type: none"> <li>13. Breast Cancer*</li> <li>14. Dementia</li> <li>15. Frail Elderly</li> <li>16. Heart Failure</li> <li>17. Pregnancy and Childbirth</li> <li>18. Colorectal Cancer</li> <li>19. Overactive Bladder</li> <li>20. Craniofacial Microsomia</li> <li>21. Inflammatory Bowel Disease</li> </ol>	<ol style="list-style-type: none"> <li>22. Chronic Kidney Disease</li> <li>23. Oral Health</li> <li>24. Inflammatory Arthritis</li> <li>25. Congenital Hand and Upper Limb Malformations</li> <li>26. Facial Palsy</li> <li>27. Hypertension*</li> <li>28. Diabetes</li> <li>29. Atrial Fibrillation</li> <li>30. Mental Health</li> </ol>

\* Published Thus Far in Peer-Reviewed Journals

Burden of Disease Covered

**18%**

**35%**

**45%**

**59%**

To learn more about **ICHOM** please visit us at [www.ichom.org](http://www.ichom.org)

# Global Demand to Compare Outcomes is Accelerating

The image features a central world map with green highlights on North America, Europe, and Australia. Surrounding the map are logos of numerous international healthcare organizations, including:

- CADOSA**
- Jewish General Hospital Foundation**
- PROVIDENCE Health & Services**
- SickKids**
- CJRI** Connecticut Joint Replacement Institute at Saint Francis
- MAYO CLINIC**
- ALLIANCE OF DEDICATED CANCER CENTERS**
- ACI** NSW Agency for Clinical Innovation
- Martini-Klinik I** Prostatakrebszentrum Universitätsklinikum Hamburg-Eppendorf
- UNIVERSITAIR KANKERCENTRUM LEIDEN DEN HAAG** UNIVERSITY CANCER CENTER LEIDEN THE HAGUE
- UZA**
- AKADEMISKA SJUKHUSET** UPPSALA UNIVERSITY HOSPITAL
- anahp** associação nacional de hospitais privados
- The Scottish Government** Riaghaltas na h-Alba
- Générale de santé**
- NHS England**
- SAVE SIGHT INSTITUTE**
- REGION VÄSTRA GÖTALAND**
- AKADEMISKA SJUKHUSET** UPPSALA UNIVERSITY HOSPITAL
- Texas Children's Hospital**
- ST. ERIKS ÖGON SJUKHUS** ST. ERIK EYE HOSPITAL
- dental health services victoria** oral health for better health
- PARTNERS HEALTHCARE**
- St. Elizabeth's Medical Center at Tufts University** The Hospital of Israel
- santeon**
- DBAJ** DURAI BONE & JOINT CENTER
- Hoag Orthopedic Institute**
- WEMIND**
- UZ LEUVEN**
- The Children's Hospital of Philadelphia**
- Erasmus MC** Universitair Medisch Centrum Rotterdam
- RAMSAY HEALTH CARE**
- IPCOR** IRISH PROSTATE CANCER OUTCOMES RESEARCH
- GIG CYMRU NHS WALES** Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board
- U.S. Department of Veterans Affairs**
- THE UNIVERSITY OF TEXAS MD Anderson Cancer Center**
- Stanford HEALTH CARE**
- Great Ormond Street Hospital for Children** NHS Trust
- Boston Children's Hospital** Until every child is well
- ELSAN** Notre Santé autrement

# Transforming Health Care

- We **know the path** forward
- **Value for patients** is the True North
- **Value-based thinking** will revolutionize care delivery, payment, and strategy for health systems
- **Standardized outcome measurement** is the single most powerful driver



- **ICHOM is honored to partner with the OECD** to support health ministers in accelerating this agenda