



VALUE: DEFINED BY WHOM?



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- Movement is Life™ is underwritten by Zimmer Biomet



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MIL GOALS

- Raise Awareness





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- Strategize





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- Implement





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- Raise Awareness
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- Advocate

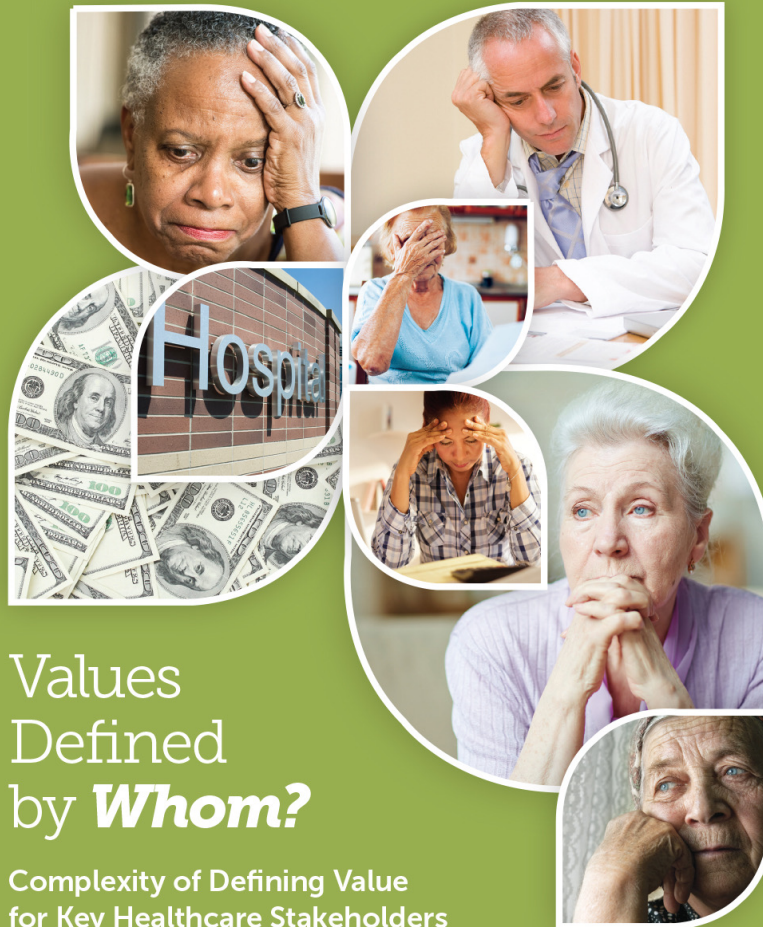




MIL GOALS

- Raise Awareness
- Strategize
- Implement
- Advocate
- Educate





Values Defined by **Whom?**

Complexity of Defining Value
for Key Healthcare Stakeholders



WHAT DEFINES VALUE FOR KEY STAKEHOLDERS?

- Patients
- Providers
- Payers, Regulators/
Policy Makers





VALUE = THE BALANCE

- Between Patient Centered Outcomes, Services Utilized and Costs Incurred
- Patient Achieves Health/Functional Goals
- System Provides “Right/Most Appropriate Service”:
 - Cost Effective
 - Efficient





ARE VALUES IN OUR CURRENT SYSTEM BALANCED?

- Cost (<https://www.pgpf.org>)
- Complexity
- Incentives
- Conflict (Catalyst.Nejm.Org 2018)





“TRADITIONAL” – FEE-FOR-SERVICE (FFS)

Pluses:

- For Complex Patients, Higher Level of Care Receives Higher Payment
- Payer Assumes Risk





“FEE-FOR-SERVICE”

Minuses:

- Emphasis on Billable Services, *NOT*
- Prevention/Health Promotion Devalued
- No Payment for Education, Follow Up
- Cost Highly Variable (Provider, Geographic Factors)
- Over Utilization
- Incentivizing “Low value care”?



ALTERNATIVE MODELS



- Capitation
- “Bundled”
- “Value-Based Purchasing”





PRINCIPLES OF VALUE-BASED CARE:

- Care is Individualized
- Less Financial Risk
- Focus on Patient Outcomes
- Expanded Role For PA, APRN
- Patient-centered





VALUE-BASED PAYMENT MODELS

Providers:

- Develop decision-making algorithms
- Determine what services are to be provided for specified conditions
- Allow comparative cost data



ALTERNATIVE PAYMENT MODELS: CHALLENGES AND UNINTENDED CONSEQUENCES



- Data
- Biases
- Reimbursement Not Driven by Outcomes
- Risk/Cost Shifting
- May not address “low value care”



ALTERNATIVE PAYMENT MODELS: CHALLENGES AND CONSEQUENCES



- Capitation: paid whether care is given or not
- No consistent risk adjustment
- Government/regulatory factors – PPACA “hospital readmissions reduction program”





POLICY PERSPECTIVE

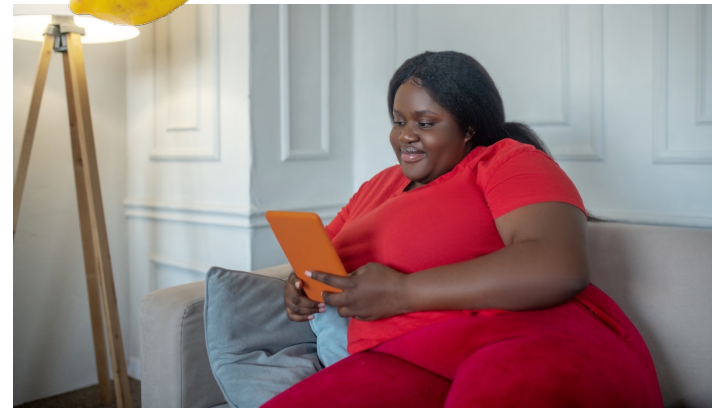
Payment Systems Should:

- Decrease Cost
- Improve Quality
- Fund Needed Services
- Address the issue of “low value care”





VBP: CHALLENGES, UNINTENDED CONSEQUENCES





PROVIDER PERSPECTIVE

- Cost efficiency without adversely impacting care
- Providers are the decision makers
- Providers give the best care within accepted standard of practice





ALL STAKEHOLDERS AGREE:

- Health care payment models need to provide a cost-efficiency structure without adversely impacting needed care.



ALL STAKEHOLDERS AGREE:

- Stakeholders value quality care and payment models that respect fiscal resources while allowing appropriate care to be given.



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Catalyst for Change

<https://www.movementislifecaucus.com>