Going Long On Value

Value-Based Healthcare Starts With Measuring and Improving Long-Term Outcomes

The move toward value-based healthcare is gradually restructuring healthcare to better reward systems and providers that can deliver care in ways that improve clinical outcomes while lowering overall costs. While Medtronic remains focused on developing technologies and services that can drive more value into existing health systems, we are also actively leading and participating in efforts around the globe aimed at re-architecting healthcare delivery and payment systems to better reward patient outcomes into the future. Many around the world refer to this movement as “value-based healthcare”. These efforts are in their earliest beginnings and will be defined and evolve over time.

At Medtronic, we define value-based healthcare as an effort to develop and deploy products, services and integrated solutions that improve patient outcomes per dollar spent in the healthcare system by improving the quality of care and or reducing the associated expense. Most importantly, the value derived from the quality of care isn’t determined at a specific point in time that focuses on transactional value. Instead, value should be measured holistically over a longer time horizon and in ways that are meaningful to the patient.

In the United States, the Federal government is trying to encourage this change, with the Secretary of Health and Human Services setting a goal of linking 85 percent of traditional Medicare provider payments to quality or value by the end of 2016, and 90 percent by the end of 2018.

Medtronic’s goal is to ensure that the power of technology is considered and leveraged within healthcare systems as a means by which to deliver better patient-centered outcomes. We seek to be an engaged and collaborative industry leader and partner committed to seeing that value based healthcare efforts are successful for patients and caregivers.

THE CHALLENGE OF OUTCOMES MEASUREMENT
The general public may assume that patient outcomes are the focus of what is being measured, and that all stakeholders within the healthcare industry agree on the methods of improving outcomes over the long-term. But, there is a lack of consensus on what outcomes to measure, when they should be measured, and how to measure them across many of the most common chronic disease states.
This is a major problem—so much so that the U.S. Congress created the Patient-Centered Outcomes Research Institute (PCORI) as part of the Affordable Care Act in 2010. Through 2014, PCORI funded $671 million in research looking at which outcomes matter most to patients.

As the healthcare industry welcomes the move toward value-based care we must recognize the need for all stakeholders to benefit from studying improved patient outcomes over a longer time horizon in order to truly improve and sustain patient health.

DEFINING OUTCOMES BY TODAY’S STANDARDS
Currently, the healthcare industry has been focused on measuring short-term medical outcomes: Was the procedure a success? How quickly did the patient leave the hospital? Did he or she have to come back to the hospital for follow-up care?

What’s missing are some of the longer-term outcomes that matter—what is the patient’s long-term prognosis? Will this therapy improve the patient’s quality of life? How often will the patient need to use healthcare resources going forward? These are the long-term questions we need to be asking and answering collaboratively as a healthcare industry.

TECHNOLOGY’S IMPACT ON OUTCOMES
We’ve known for some time that medical technology can improve outcomes in a meaningful way. We see it in the more than 62 million people across the globe who benefit from our technologies each year, equating to two people every second. However, we may be underestimating the potential impact of technology applied across the continuum of care. Traditionally, technology has been used primarily at the point of procedure itself. Medtronic is also investing in ways to apply technology at the diagnostic and post-procedural phases to improve the value across the continuum of care.

Some of our recent innovations that have significantly impacted patient outcomes from across the continuum of care include:

- a miniaturized heart monitor that has the capability to diagnose abnormal heart rhythms that could lead to stroke better than the current standard of care for cardiac monitoring,
- an advanced algorithm included in our cardiac resynchronization devices that has been found to significantly reduce heart failure hospitalizations and readmissions,
- and an artificial heart valve that was found to be superior to the gold standard of open-heart surgery.

STANDARDIZING OUTCOMES MEASUREMENT
Standardization of outcomes measurement begins with collaboration amongst providers, suppliers, physicians, payers and patients on the appropriate disease-specific outcomes and how to systematically measure them for a specific disease state or medical condition.

There are multi-stakeholder organizations focused on this right now. For example, the National Quality Forum (NQF) in Washington is dedicated to setting goals for performance improvement and endorsing
standards for measuring and reporting improvement. The International Consortium for Health Outcomes Measurement (ICHOM) is a great example of how deep disease-specific experts are working to propose standardized outcomes measurements for future value-based healthcare models. By 2017, they're working to publish 50 standardized sets of outcomes across more than 50 percent of the global disease burden.

Once we have standardized the measurements, then we have the ability to link them to cost of care. The critical last step, measuring outcomes and tying them to reimbursement is important, not just for providers and payers, but for the entire healthcare system. We need to know more about how patients’ outcomes look across medical technology, pharmaceuticals, and other interventions. Medtronic is actively working with others in the industry to develop new models for value-based care, and we believe this is the direction that the healthcare system ultimately needs to go in a collaborative manner.