

# OBSERVATIONS

## NHS REFORMS

### A chance to optimise “value” in the NHS

The financial squeeze and proposed reforms create an opportunity to put value at the heart of the NHS

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Meeting the financial challenge of the next three to four years is the subtext to the current NHS reforms in England. Although there is dispute about whether changes proposed in the Health and Social Care Bill<sup>1</sup> are evolution or revolution,<sup>2</sup> any changes must produce better results for patients in a climate of financial challenge.<sup>3</sup> Amid the current debate, which often blends ideology with fact, opportunities may be created that could safeguard the NHS for the future and enable it to deliver more for those it serves within available resources.

One widely acknowledged positive change is the emphasis on delivering better outcomes.<sup>4</sup> Evidence is mounting that specific elements are important to ensure this: transparent data linked to information systems; greater patient involvement; clinical leadership; more service integration; and, in certain circumstances, elements of competition—on quality, not on price.<sup>5</sup>

We think that an additional opportunity is created by the funding squeeze itself: a chance to bring outcomes and use of resources together as a unifying framework for improving results over time. “Value” is a simple concept to describe: useful outcomes divided by the cost of achieving those outcomes.<sup>6</sup> Until now, cost and quality have existed in separate conversations, too often the responsibility of different professional groups. An era of rising demand, increased focus on outcomes, and resource constraint is the perfect time to bring cost and quality together: to put the pursuit of value for patients at the centre of our efforts, and to make this the shared responsibility of clinicians and managers.

“Quality” and quality improvement become sustainable when tied to resource use, especially as evidence grows that quality often comes at lower cost if care is well organised.<sup>7</sup> A firm commitment from organisations and professionals to collecting, analysing, and acting on clinical data, paired to resource use, is required if the NHS is to progressively improve value. Too often we have defined quality and performance through professional or managerial proxies: activity, admissions, episodes. Transparency and openness of outcome data, shaped and owned by clinicians, has been shown to produce substantial

improvements in quality and safety. Improvements in cardiac surgery are one example of transparency’s benefits, and this must be extended to other specialties and patient pathways.<sup>8</sup>

Value emphasises the importance of doing whatever we do efficiently. It also highlights the importance of viewing health and disease along a continuum of prevention; of early diagnosis followed by proactive intervention in long term conditions; and of linking healthcare to social care and public health. Most of all it emphasises that what matters to patients and population is not healthcare in itself but health. Healthcare is often a means to health, but it is not the only means. This highlights the importance of establishing a quality numerator in the value equation that truly describes outcomes that matter to patients. We think that quality should encompass clinical outcomes, outcomes reported by patients, and patients’ experiences, measured along whole pathways of care. This enables measurement of quality to encourage prevention, effective long term management of conditions, and care organised around patients’ needs and preferences.

The reforms should aim to create conditions that maximise the potential for progressively improving value. Too much debate has focused on proxies rather than emphasising this overarching purpose—for example, should we emphasise competition or collaboration? Emphasising value gives primacy to patients’ needs rather than the needs of professionals or institutions. Organisational boundaries, incentives, funding flows, and the structure of the workforce should be derived from what best serves the patient. In some circumstances value will most effectively be driven through competition on quality—for example, where existing providers fail to adapt. More often it will come through cross-sector collaboration, breaking down artificial barriers to patient benefit—for example, between primary and secondary care and between health and social care. This change requires leadership that understands the complex adaptive nature of healthcare. The approaches required differ from standard management or business problems. Healthcare provision is a “wicked problem” and so will require iterative “clumsy” solutions to move forward.<sup>9</sup> Clinicians must ask

whether their professionalism takes them into this territory. We think it must: patients will suffer if clinicians' ethics and expertise are not leading the design and improvement of our system and maximising the health gain achieved for every pound spent.

Many rightly see the current "perfect storm" of rising demand; quality and safety problems; and a need to limit costs as a crisis that risks the future of the NHS. However, lean times also bring a crucial opportunity almost inconceivable to achieve in times of plenty: the opportunity to unite throughout health and social care with a shared focus on improving value and the room to try many solutions to deliver. Optimising value puts patients first and can help ensure the NHS a sustainable future.

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