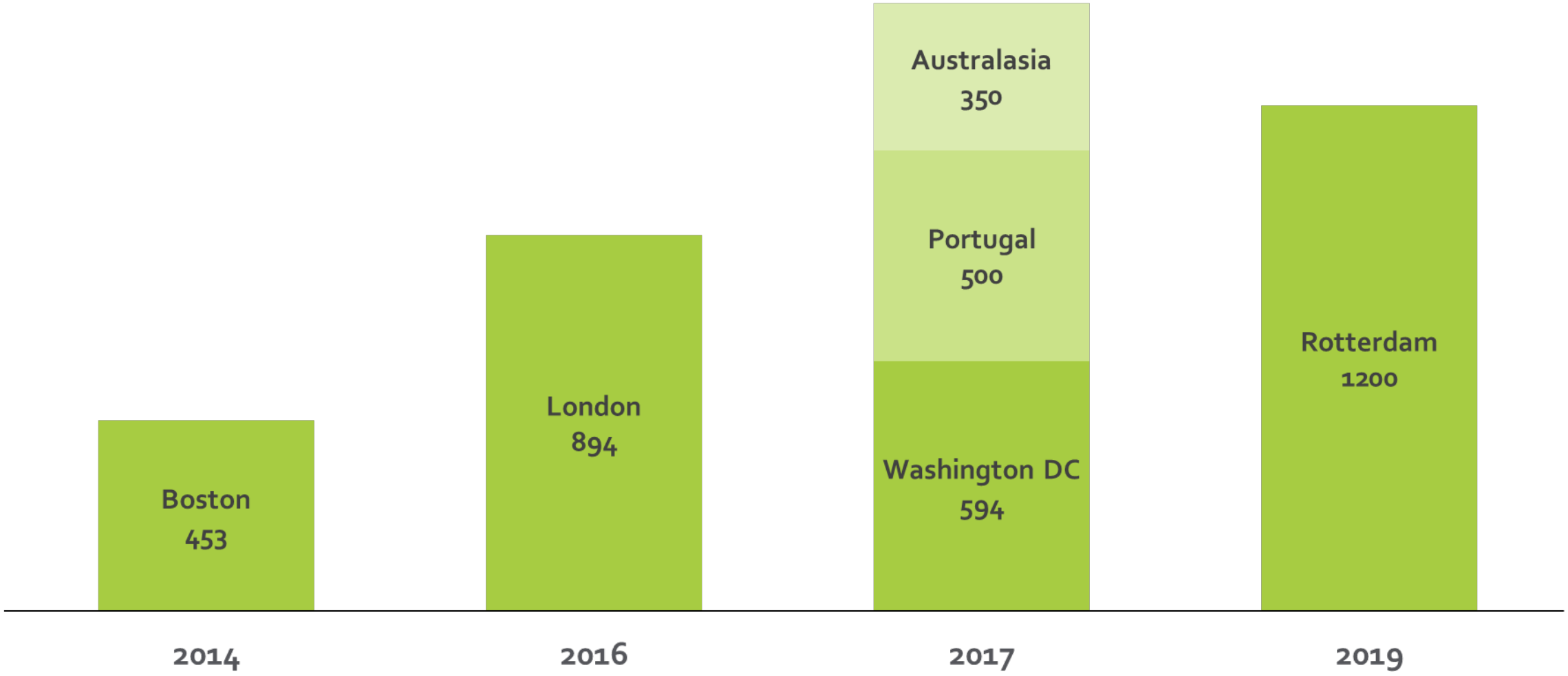
ICHOM

CONFERENCE 2019

ROTTERDAM 2-3 MAY

Welcome

The ICHOM 2019 Conference Is the Largest Single Conference to Date



Health Care Delivery Is Rapidly Shifting from Volume to Value for Patients

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

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

- Value is the only goal that can **unite the interests** of all system participants
- Value is created in caring for a patient's **medical condition** over the **full cycle of care**

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

The NEW ENGLAND JOURNAL of MEDICINE

Perspective

DECEMBER 23, 2010

What Is Value in Health Care?

Michael E. Porter, Ph.D.

In any field, improving performance and accountability depends on having a shared goal that unites the interests and activities of all stakeholders. In health care, however, stakeholders have myriad, often conflicting goals, including access to services, profitability, high quality, cost containment, safety, convenience, patient-centeredness, and satisfaction. Lack of clarity about goals has led to divergent approaches, gaming of the system, and slow progress in performance improvement.

Achieving high value for patients must become the overarching goal of health care delivery, with value defined as the health outcomes achieved per dollar spent.[1] This goal is what matters for patients and unites the interests of all actors in the system. If value improves, patients, payers, providers, and suppliers can all benefit while the economic sustainability of the health care system increases.

Value — neither an abstract ideal nor a code word for cost reduction — should define the framework for performance improvement in health care. Rigorous, disciplined measurement and improvement of value is the best way to drive system progress. Yet value in health care remains largely unmeasured and misunderstood.

Value should always be defined around the customer, and in a well-functioning health care system, the creation of value for patients should determine the rewards for all other actors in the system. Since value depends on results, not inputs, value in health care is measured by the outcomes achieved, not the volume of services delivered, and shifting focus from volume to value is a central challenge. Nor is value measured by the process of care used; process measurement and improvement are important tactics but are no substitutes for measuring outcomes and costs.

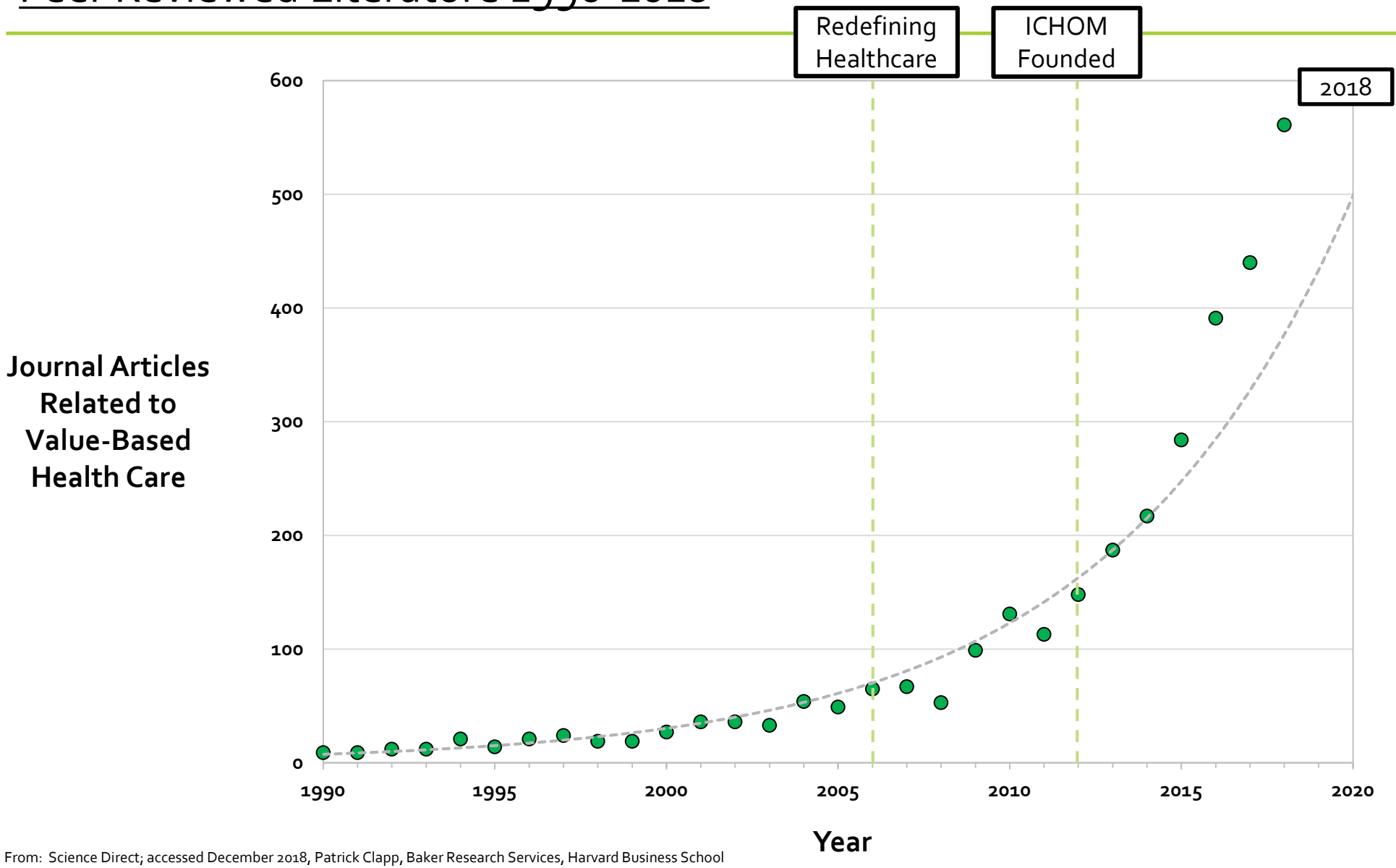
Since value is defined as outcomes relative to costs, it encompasses efficiency. Cost reduction without regard to the outcomes achieved is dangerous and self-defeating, leading to false "savings" and potentially limiting effective care.

Outcomes, the numerator of the value equation, are inherently condition-specific and multidimensional. For any medical condition, no single outcome captures the results of care. Cost, the equation's denominator, refers to the total costs of the full cycle of care for the patient's medical condition, not the cost of individual services. To reduce cost, the best approach is often to spend more on some services to reduce the need for others.

Source: "What is Value in Health Care" (Michael Porter, New England Journal of Medicine, 2010)

Value-Based Health Care Thinking and Practice Are Rapidly Diffusing

Peer Reviewed Literature 1990-2018



From: Science Direct; accessed December 2018, Patrick Clapp, Baker Research Services, Harvard Business School

Value-Based Health Care Is Becoming Part of Medical Education

- **Advanced degree offerings in value-based health care**
  - VBHC PhD (St. Antonius Hospital, Netherlands)
  - TDABC PhD (Swansea University, Wales & University of Texas at Austin, United States)
- **Adoption of value-based health care teaching in medical school curriculum**
  - Harvard Medical School, United States
  - Dell Medical School, United States
  - Cascais Medical School, Portugal
  - Maastricht University, Netherlands
  - Swansea University, Wales
- **Fellowship opportunities and immersion courses for young health care professionals**
  - ICHOM/ Aneurin Bevan Fellowship, Wales
- **Executive education courses**
  - Dell Medical School, The University of Texas at Austin, Vanderbilt University, Harvard Business School

Health Systems Across the Globe Are Beginning to Take Major Steps to Expand VBHC

- **Value-based health care initiatives** are underway in multiple countries
  -  The Netherlands
  -  France
  -  Italy
  -  Portugal
  -  Singapore
  -  Australia
  -  Wales
  -  The United States
- Nations are participating in **ICHOM measurement partnerships**
  -  Belgium
  -  Finland
  -  India
  -  Israel
  -  Malaysia
  -  Spain

Source: European Medical Journal (Dias, et al, 2017)

NEJM Catalyst | Innovations in Care Delivery

- Introducing **NEJM Catalyst**, the first peer-reviewed journal from the New England Journal of Medicine focused on healthcare delivery innovation and transformation
  - Intended Audience: healthcare executives, clinical leaders, academics, and clinicians
  - Target Launch Date: Q1 2020
- **Now Accepting Submissions!** Visit: https://catalyst.nejm.org/about/submissions/

NEJM GROUP

ICHOM Founding, Mission and Goals

Founding

Founded in **2012** by thought leaders recognizing the crucial role of patient outcome measurement in unlocking the potential of value-based health care

Institute for Strategy & Competitiveness	Professor Michael Porter
BOSTON CONSULTING GROUP	Dr. Stefan Larsson
Karolinska Institutet	Professor Martin Ingvar

Mission

Unlock the potential of value-based health care by developing global **Standard Minimum Sets of outcome measures that matter most to patients** by medical condition across the disease burden, and **driving the adoption and reporting** of outcome measurement worldwide

$$\text{Value} = \frac{\text{Patient health outcomes achieved}}{\text{Cost of delivering those outcomes}}$$

Goals

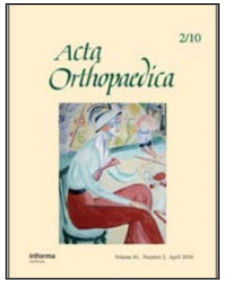
ICHOM is an independent, 501(c)3 nonprofit organization

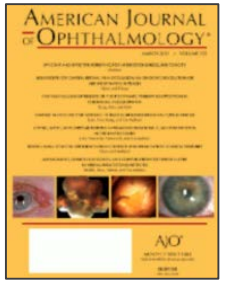
- Ambitious global goals
- Engage diverse health care stakeholders
- Provides outcome measure sets to all stakeholders at no charge

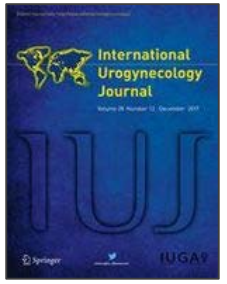
ICHOM Standard Sets

Standard Sets Complete (2013-14)	Standard Sets Complete (2015-16)	Standard Sets Complete (2017-19)	Committed/ In Process
1. Localized Prostate Cancer *	13. Breast Cancer*	22. Chronic Kidney Disease*	30. Overall Adult Health
2. Lower Back Pain *	14. Dementia	23. Congenital Upper Limb Malformations	31. Pediatric Health
3. Coronary Artery Disease *	15. Frail Elderly	24. Pediatric Facial Palsy*	32. Hand and Wrist
4. Cataracts *	16. Heart Failure	25. Inflammatory Arthritis*	33. Neonates
5. Parkinson's Disease*	17. Pregnancy and Childbirth	26. Hypertension*	34. Congenital Heart Disease
6. Cleft Lip and Palate*	18. Colorectal Cancer*	27. Oral Health	35. Depression and Anxiety in Children and Young People
7. Stroke *	19. Overactive Bladder	28. Diabetes	36. Psychotic Disorders
8. Hip and Knee Osteoarthritis*	20. Craniofacial Microsomia	29. Atrial Fibrillation	37. Personality Disorders
9. Macular Degeneration*	21. Inflammatory Bowel Disease*		38. Substance Misuse
10. Lung Cancer*			
11. Depression and Anxiety*			
12. Advanced Prostate Cancer *			

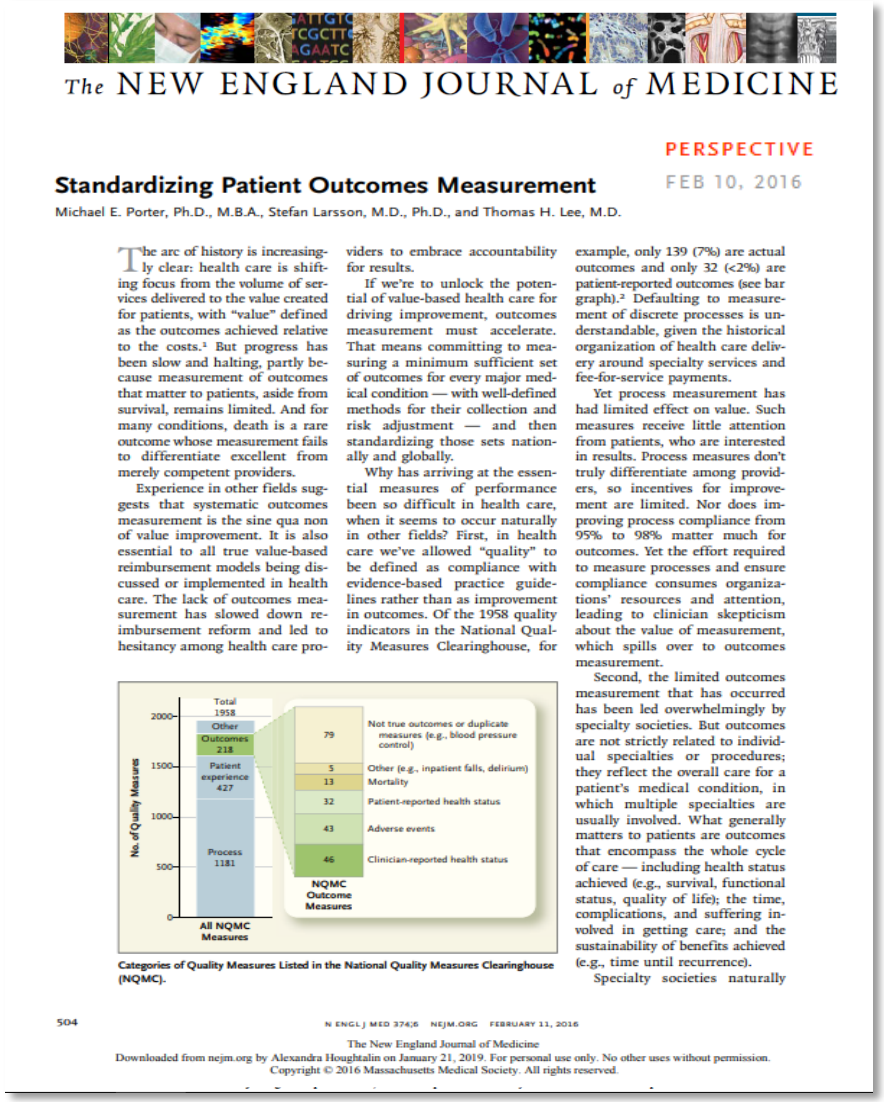
*** Published Thus Far in Peer-Reviewed Journals (19)**







Outcome Measurement Is Diffusing Rapidly



The NEW ENGLAND JOURNAL of MEDICINE

PERSPECTIVE

FEB 10, 2016

Standardizing Patient Outcomes Measurement

Michael E. Porter, Ph.D., M.B.A., Stefan Larsson, M.D., Ph.D., and Thomas H. Lee, M.D.

The arc of history is increasingly clear: health care is shifting focus from the volume of services delivered to the value created for patients, with "value" defined as the outcomes achieved relative to the costs.[1] But progress has been slow and halting, partly because measurement of outcomes that matter to patients, aside from survival, remains limited. And for many conditions, death is a rare outcome whose measurement fails to differentiate excellent from merely competent providers.

Experience in other fields suggests that systematic outcomes measurement is the sine qua non of value improvement. It is also essential to all true value-based reimbursement models being discussed or implemented in health care. The lack of outcomes measurement has slowed down reimbursement reform and led to hesitancy among health care providers to embrace accountability for results.

If we're to unlock the potential of value-based health care for driving improvement, outcomes measurement must accelerate. That means committing to measuring a minimum sufficient set of outcomes for every major medical condition — with well-defined methods for their collection and risk adjustment — and then standardizing those sets nationally and globally.

Why has arriving at the essential measures of performance been so difficult in health care, when it seems to occur naturally in other fields? First, in health care we've allowed "quality" to be defined as compliance with evidence-based practice guidelines rather than as improvement in outcomes. Of the 1958 quality indicators in the National Quality Measures Clearinghouse, for example, only 139 (7%) are actual outcomes and only 32 (<2%) are patient-reported outcomes (see bar graph).[2] Defaulting to measurement of discrete processes is understandable, given the historical organization of health care delivery around specialty services and fee-for-service payments.

Yet process measurement has had limited effect on value. Such measures receive little attention from patients, who are interested in results. Process measures don't truly differentiate among providers, so incentives for improvement are limited. Nor does improving process compliance from 95% to 98% matter much for outcomes. Yet the effort required to measure processes and ensure compliance consumes organizations' resources and attention, leading to clinician skepticism about the value of measurement, which spills over to outcomes measurement.

Second, the limited outcomes measurement that has occurred has been led overwhelmingly by specialty societies. But outcomes are not strictly related to individual specialties or procedures; they reflect the overall care for a patient's medical condition, in which multiple specialties are usually involved. What generally matters to patients are outcomes that encompass the whole cycle of care — including health status achieved (e.g., survival, functional status, quality of life); the time, complications, and suffering involved in getting care; and the sustainability of benefits achieved (e.g., time until recurrence).

Specialty societies naturally

Categories of Quality Measures Listed in the National Quality Measures Clearinghouse (NQMC).

Outcomes Measurement-Based Intervention
Cystic Fibrosis Foundation (CFF) **Patient Registry**
Dutch Surgical Colorectal Audit (DSCA)
The Swedish Registry for Heart Disease and Their Shared Learning Program (SWEDEHEART)
Initiated Standard Collection and Analysis of Patient Data, Including PROMs
European Registry of Quality Outcomes in Cataract and Refractive Surgery (EUREQUO)

Source: "Standardizing Patient Outcomes Measurement" (Michael Porter, Stefan Larsson, and Thomas Lee, New England Journal of Medicine, 2016)

An Inflection Point

- ICHOM has achieved **remarkable success**, and is well positioned as the leading independent, global organization in its field
- ICHOM has **grown faster than any of us expected**, creating challenges in responding to demand and meeting the needs of the global health care community
- ICHOM remains a **small non profit**, with **limited resources** and staffing
- ICHOM has taken on **many small projects in multiple countries**, which has strained resources and reduced responsiveness
- A **leadership transition** has slowed progress, but has put in place a new, **world class senior management team** to lead the next stage of ICHOM's strategy

Future Strategy

- ICHOM **remains committed to our core function**:

  International development and implementation of standardized outcome measures by condition, and their deployment in global benchmarking

- For the next stage, ICHOM intends to focus on **three areas**

Upgrading Standard Set Development

- Streamline and shorten the **process of standard set development**
- Harmonize definitions and terminology for common data elements to **simplify implementation**
- **Periodic updating** of standard sets to reflect changes in practice, and communicate to users

Focus on Larger Scale Global Flagship Programs

- ICHOM will increasingly focus on **large scale global flagship programs**, which bring together large communities of providers around **important medical conditions**
  - Early examples include the **All.Can project** to bring together cancer care programs throughout Europe, and the Amgen project in coronary artery disease
- To implement these programs, ICHOM will create and disseminate **improved information technology solutions** to capture and aggregate data, visualize it, and support analysis and benchmarking
- Our aim is to encourage and support more of these large programs globally to **accelerate outcome measurement and benchmarking**

Infrastructure for Global Benchmarking

- The **Globe Project** was an important opportunity to understand and learn about benchmarking on a global basis
- Our learning from the project has informed a strategy to put in place the **methodology**, **information technology platform**, **standards**, and **strategic partnerships** necessary to make large-scale global benchmarking a reality

We Need Your Help

- To accelerate ICHOM's improvement, we need your help in **three areas**:

1. Support for Standard Set enhancement and updating
2. Partnering, joining and participating in existing and emerging global flagship programs
3. Providing both technical and financial support to carry out this agenda

We would also **welcome your ideas and suggestions** for how we can make this crucial movement towards international outcomes measurement a success