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Disclosures



Royalties from [McGraw-Hill](#) for
 “Understanding Value-Based Healthcare”



Grant support from
[ABIM Foundation](#), [Macy Foundation](#),
[Episcopal Health Foundation](#), and [ACGME](#)



Executive Director,
[Costs of Care](#) (non-profit)



2

“You folks need to be prepared for a career that will be massively different from mine.

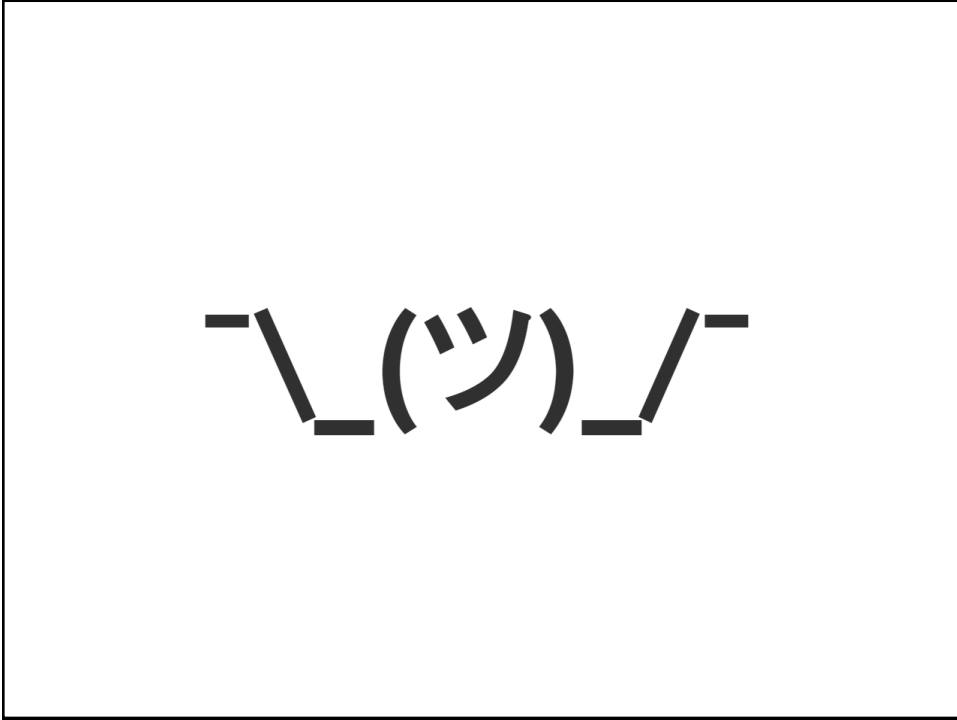
You will be under relentless pressure to deliver the highest quality, safest, most satisfying care ... at the lowest possible cost.”



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5

GALLUP What We Do - Who We Are Locations Careers Store

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POLITICS: APRIL 1, 2019

Healthcare Once Again Tops List of Americans' Worries

BY JIM NORMAN

Healthcare, Budget Deficit Top List of Americans' Worries


Now I'm going to read a list of problems facing the country. For each one, please tell me if you personally worry about this problem a great deal, a fair amount, only a little or not at all.

	Great deal	Fair amount	Only a little/Not at all
	%	%	%
The availability and affordability of healthcare	55	25	21
Federal spending and the budget deficit	50	30	20
Hunger and homelessness	49	30	20
Drug use	47	26	27
Crime and violence	47	28	25

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 The University of Texas at Austin
Dell Medical School

$$\text{Value} = \frac{\text{Outcomes that matter to patients}}{\text{Total Costs of Care}}$$

8



9

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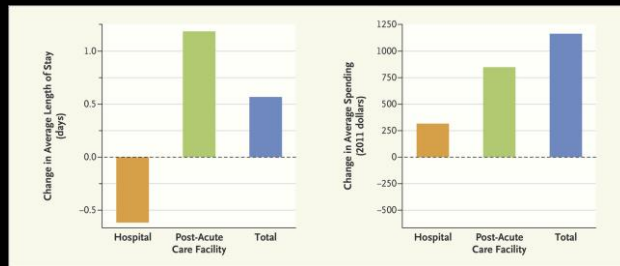
10

Measuring What Matters



11


Changes in Average Length of Stay and Spending among Medicare Beneficiaries, by Setting, 2004–2011.



Barnett ML et al. N Engl J Med 2017;377:4-6.

THE NEW ENGLAND JOURNAL of MEDICINE

12

 The NEW ENGLAND
JOURNAL of MEDICINE

PERSPECTIVE MEASURING WHAT MATTERS TO PATIENTS AND PAYERS

Home-to-Home Time — Measuring What Matters to Patients and Payers

Michael L. Barnett, M.D., David C. Grabowski, Ph.D., and Ateev Mehrotra, M.D., M.P.H.

Barnett ML, Grabowski DC, Mehrotra A. *New England Journal of Medicine*. 2017;377(1):4-6.

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Understanding Costs in Health Care



14

$$\text{Value} = \frac{\text{Outcomes that matter to patients}}{\text{Total Costs of Care}}$$

15

Costs have traditionally been hidden from clinicians and the public...

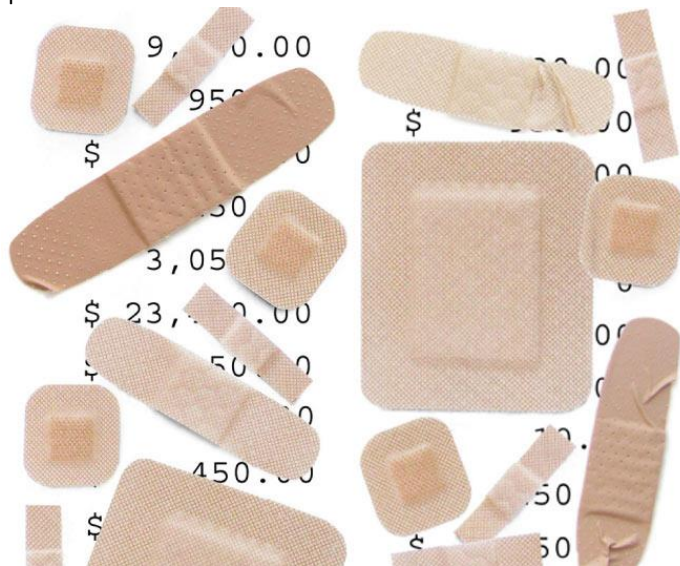


Image from: Wired Magazine, 2012

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The New York Times

HEALTH

What Are a Hospital's Costs? Utah System Is Trying to Learn

By GINA KOLATA SEPT. 7, 2015



Dr. Vivian Lee set in motion a process that the University of Utah Health Care is using to save money and to improve care. Sallie Dean Shatz for The New York Times

RELATED



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MODULE 1 | Section 7

Care Redesign Case: Value-Driven Outcomes at University of Utah

20

Changing Landscape



Policymakers



accountability

transparency



Patients


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UCSF Division of Hospital Medicine High Value Care Committee



Committee described in: Moriates, et al. J of Hosp Med, 2014

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3 Tips for Bringing Doctors and Data Specialists Together

By Chris Moriates | January 18, 2017 | 0



By:
Victoria Valencia, MPH, Assistant Director of Healthcare Value
Christopher Moriates, MD, Assistant Dean of Healthcare Value
Dell Medical School at The University of Texas at Austin


With tele-machines beeping, robots rolling by and so many different people rotating in and out of rooms, the hospital environment can be chaotic. Similarly, the data environment of many of our electronic health records (EHRs) can be quite unruly. EHR

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ORIGINAL RESEARCH

Next-generation audit and feedback for inpatient quality improvement using electronic health record data: a cluster randomised controlled trial

Sajan Patel,¹ Alvin Rajkumar,¹ James D Harrison,¹ Priya A Prasad,¹ Victoria Valencia,² Sumant R Ranji,³ Michelle Mourad¹



The dashboard displays the Discharge Mix Index (DMI) as a bar chart with a trend line, comparing performance across various teams. It also includes summary rings for 'DHM Home Med Rec by DC', 'DHM DC Summary 24hrs', and 'DHM High Quality AVS'. A legend at the bottom identifies the data series: Discharge Mix Index (DMI), Home Med Rec Done, DC Summary in 24hrs, High Quality AVS, Done, Not Done, +24hrs, -24hrs, HG, and NotHG.

Figure 2 Electronic dashboard displaying daily and cumulative performance of Discharge Mix Index (DMI), a composite score of medication reconciliation (Med Rec), timely discharge summary and high-quality after visit summary (HQ AVS). DHM, Division of Hospital Medicine; DC, Discharge.

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Value Transformation at NYU

Institution-wide program with significant investment in creating joint clinical and operational leadership, data and cost accounting capabilities, a centralized project support staff, and a shared savings program.

Began in April 2014

Chatfield SC, Volpicelli FM, Adler NM, et al. *BMJ Qual Saf*. 2019;28(6):449-458.

ORIGINAL RESEARCH

Bending the cost curve: time series analysis of a value transformation programme at an academic medical centre

Steven C Chatfield,¹ Frank M Volpicelli,¹ Nicole M Adler,² Kathleen Lutz King,^{1*} Simon A Jones,^{1*} Fritz Franconi,^{1*} Parvash C Shah,^{1*} Robert A Piro,^{1*} Laura I Horwitz^{2,3,4}

ABSTRACT
Background: Reducing costs while increasing or maintaining quality is critical to delivering high value care.
Objective: To assess the impact of a large scale value transformation programme on cost and quality.
Design: Time series analysis of an academic, non-profit, non-union system, designed to reduce costs while ensuring quality.
Setting: Academic medical centre.
Measurements: Change in total cost per case, average length of stay, and patient satisfaction.
Results: The programme resulted in a 10% reduction in total cost per case, a 10% increase in patient satisfaction, and a 10% increase in patient safety.
Conclusion: A large scale value transformation programme can reduce costs while maintaining or improving quality.

INTRODUCTION
Healthcare spending in the USA has increased from 4.4% of the gross domestic product in 1970 to nearly 20% in 2014, reaching \$3.1 trillion. The rapid health care spending is higher than any other industrialized nation,¹ but includes quality value loss.²
In response, focus on value in the US healthcare system, defined as health outcomes achieved per dollar spent, has been emphasized.³⁻⁵ The Centers for Medicare & Medicaid Services set a goal to save 20% of healthcare expenditures by value based for 2018, and commercial payers are beginning to respond by publishing their expectations on value-based care.⁶
In the beginning of 2014 a healthcare system that had one health system, NYU Langone Health (NYUHL), had substantial opportunities to improve value. From 2010 to 2013, net commercial payers on Medicare patients had more than doubled. In 2013, we had been ranked number 1 in quality and accountability by the Leapfrog Healthcare Consortium (now Vantage),⁷ number one in the American Association of Medical Colleges Council of Teaching Hospitals (COTH) quality survey of hospital care, and number one in patient safety after stratification for our own scores (CMS and Leap Score).⁸ Analysis from Cleverly said discounts, or net-netted commercial, indicated that our CMS-adjusted Medicare fee per case was the highest among all academic medical centres.⁹ It was in this environment that

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Additional material is available for this article. See supplementary material for full text of this article.

Supplementary material for this article is available at <http://www.bmj.com/lookup/suppl/doi:10.1136/bmjqs-2018-023000/-/DC1>.

Correspondence to: Steven C Chatfield, Director of Value Transformation, NYU Langone Health, 550 First Ave, Box 208, New York, NY 10016, USA; scchatfield@nyu.edu.

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BMJ 2019;449:e023000. doi:10.1136/bmjqs-2018-023000

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Value Transformation at NYU

Focused primarily on clinician-led projects (with a project manager co-lead) to decrease costs across six main domains:

1. operational efficiency,
2. resource utilization,
3. supply chain management,
4. revenue cycle,
5. outliers (highest cost patients),
6. corporate services (administrative and overhead costs)

74 projects in first 3 years!

Chatfield SC, Volpicelli FM, Adler NM, et al. *BMJ Qual Saf*. 2019;28(6):449-458.

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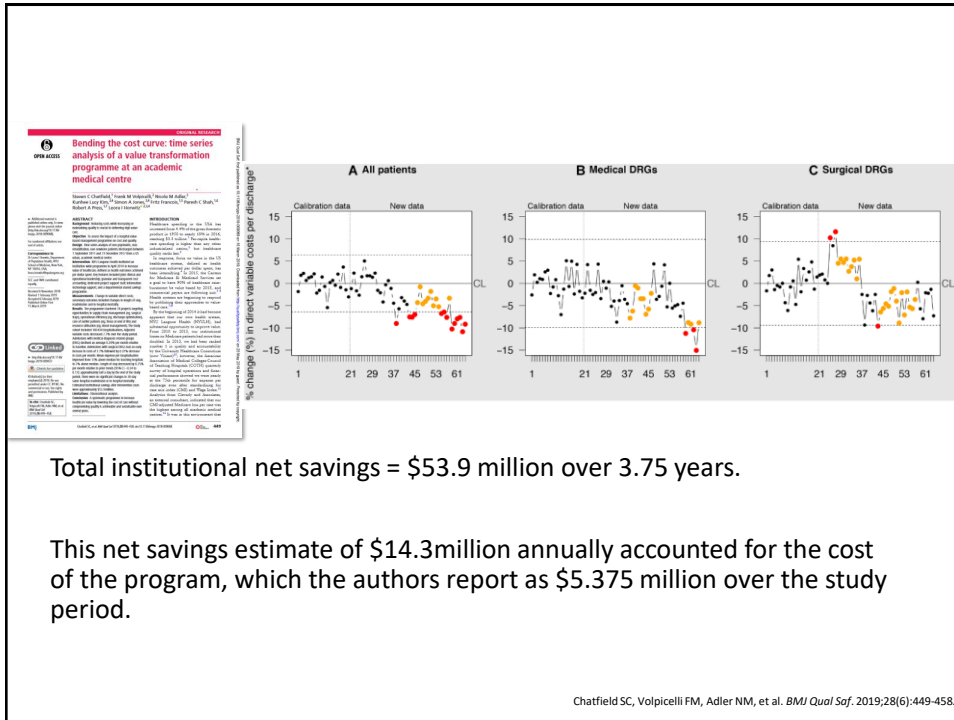
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BMJ 2019;449:e023000. doi:10.1136/bmjqs-2018-023000

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Total institutional net savings = \$53.9 million over 3.75 years.

This net savings estimate of \$14.3million annually accounted for the cost of the program, which the authors report as \$5.375 million over the study period.

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Emerging principles for health system value improvement programmes

Christopher Moriates,^{1,2} Victoria Valencia³

Over recent years, hospitals have increasingly focused on improving value: customer satisfaction per dollar spent. Although prior efforts to address costs and revenue in healthcare have been largely piecemeal, the academic movement in hospitals has largely progressed through overlapping stages, focused first on cutting expenses and expanding the structure for addressing costs and healthcare waste at the bedside, and care delivery.^{1,2} Some hospital leaders began exploring the effect of simply providing cost transparency to clinicians, with limited results.^{3,4} In concert with the launch of the "Choosing Wisely" campaign in the USA in 2012, hospital-led projects that largely sought to cover one individual area of revenue and things to do for no reason, leading to a renewed emphasis on education in hospitals.^{5,6} Now, we have begun to see results from health systems that have created organizational value improvement programmes for hospitalised patients to simultaneously address both satisfaction and cost, while measuring markers of quality and ensuring favorable patient outcomes.^{7,8}


In this issue of *BMJ Quality & Safety*, Horvitz and colleagues⁹ describe the impact of a large-scale, hospital-wide management (VEM) programme at New York University Langone Medical Centre (NYU). The institution-wide

Key Elements

- Health system leadership explicitly identifies value improvement as a strategic priority
- Investment in robust cost and quality analytics and accounting systems
- Engagement of front-line clinicians in identifying and refining value improvement opportunities and priorities
- A centralized team for providing project support and coaching
- Regular feedback on performance at individual and/or group levels
- Dynamic leadership driven by accountability to strategic priority.

Moriates C, Valencia V. *BMJ Qual Saf* 2019;28:434-437. doi:10.1136/bmjqs-2019-009427

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High Value Care
CULTURE SURVEY

www.highvaluecareculturesurvey.com
(www.hvccs.com)

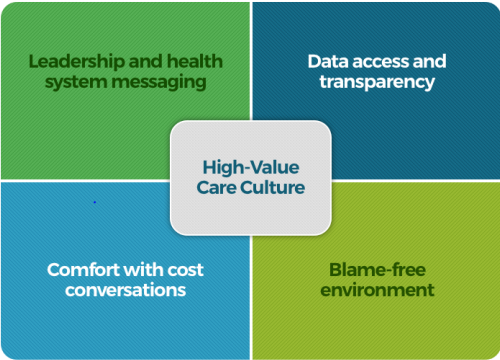


Table 2 High-Value Care Culture Survey factor characteristics

Factor	Number of items	Cronbach's α
Leadership and health system messaging	17	0.94
Data transparency and access	2	0.80
Comfort with cost conversations	3	0.70
Blame-free environment	2	0.70

Gupta R, Moriates C, Harrison JD, et al. BMJ Qual Saf. 26 Oct 2016 doi:10.1136/bmjqs-2016-005612

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Choosing Wisely[®]

An initiative of the ABIM Foundation

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Discovering Value-Based Health Care Interactive Learning Modules from Dell Med



www.vbhc.dellmed.utexas.edu

32

4 Collections, 10 Total Modules

Collection	Launch Date	Modules
Introduction to Health Care Value	June 2017	1-3
Value Based Health Care Delivery	February 2018	4-5
Improving Value at the Bedside	Summer 2018	6-7
Improving Value in Systems	Summer-Fall 2018	8-10



45 mins-1hr per module



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Discovering Value-Based Health Care Interactive Learning Modules from Dell Med



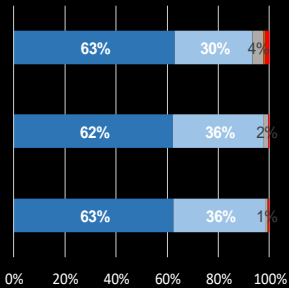
**>100,000
Page views**

**>8,500
Unique users**

The content of the modules was aligned with the module outcomes (educational objectives).

After completing the modules, I can define value in health care.


After completing the modules, I can provide examples of low and high value care.



■ Strongly agree
 ■ Somewhat agree
 ■ Neutral
■ Somewhat disagree
 ■ Strongly disagree

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ACADEMIC MEDICINE
Journal of the Association of American Medical Colleges

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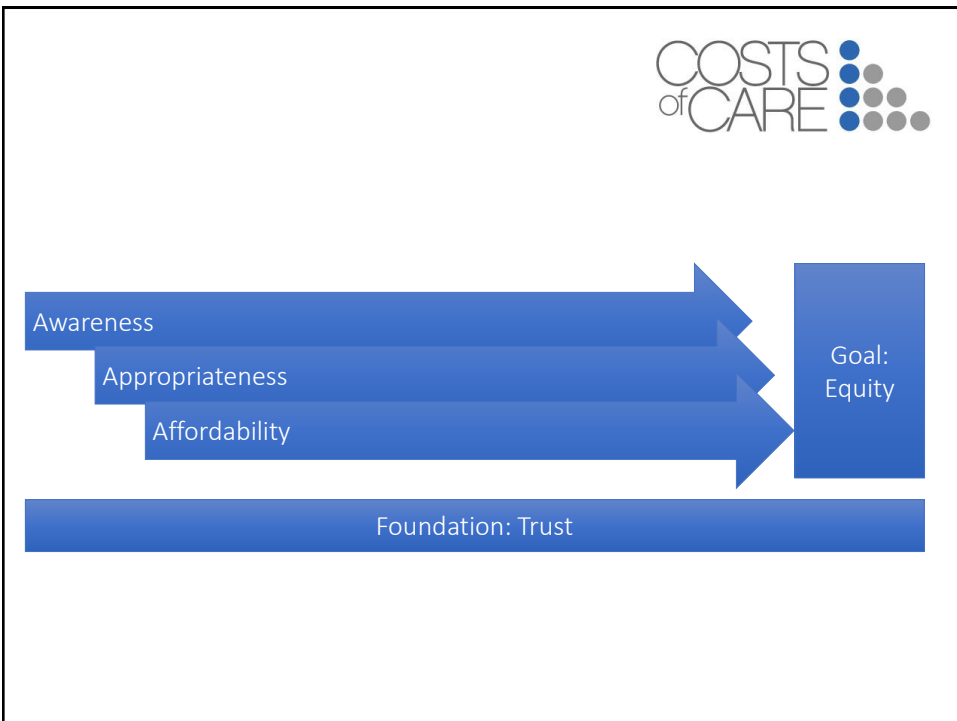
Using Interactive Learning Modules to Teach Value-Based Health Care to Health Professions Trainees Across the United States

Moriates, Christopher, MD; Valencia, Victoria, MPH; Stamets, Sara, MA; Joo, Joseph; MacClements, Jonathan, MD; Wilkerson, LuAnn, EdD; Nelson, Elizabeth A., MD; Bozic, Kevin, MD, MBA; Cox, Susan M., MD

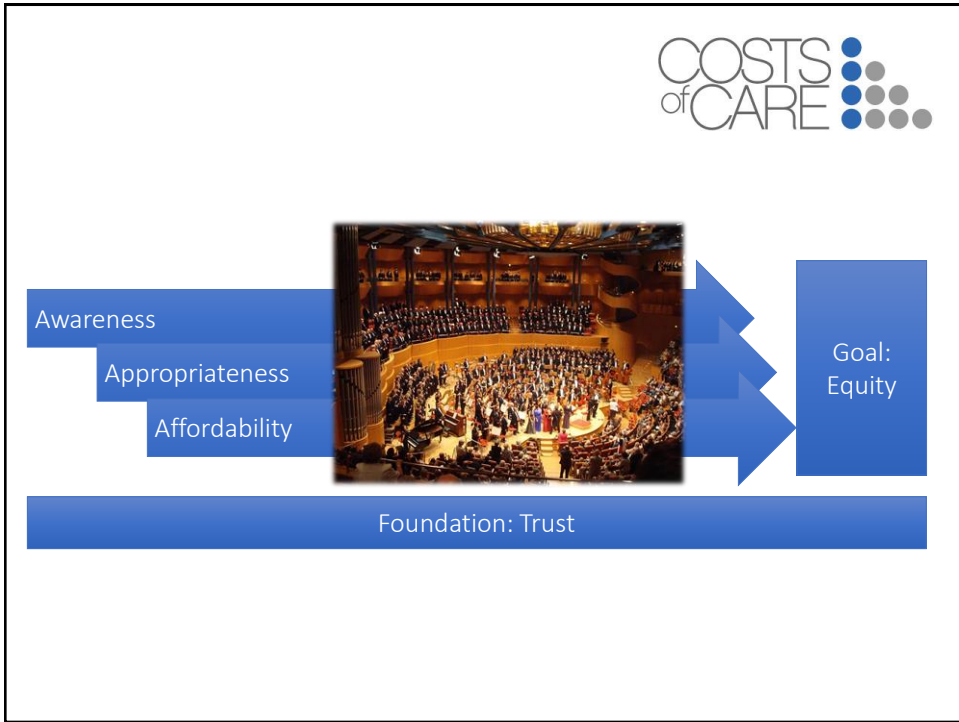
Academic Medicine: February 19, 2019 - Volume Publish Ahead of Print - Issue - p
doi: 10.1097/ACM.0000000000002670
Innovation Report: PDF Only

www.vbhc.dellmed.utexas.edu

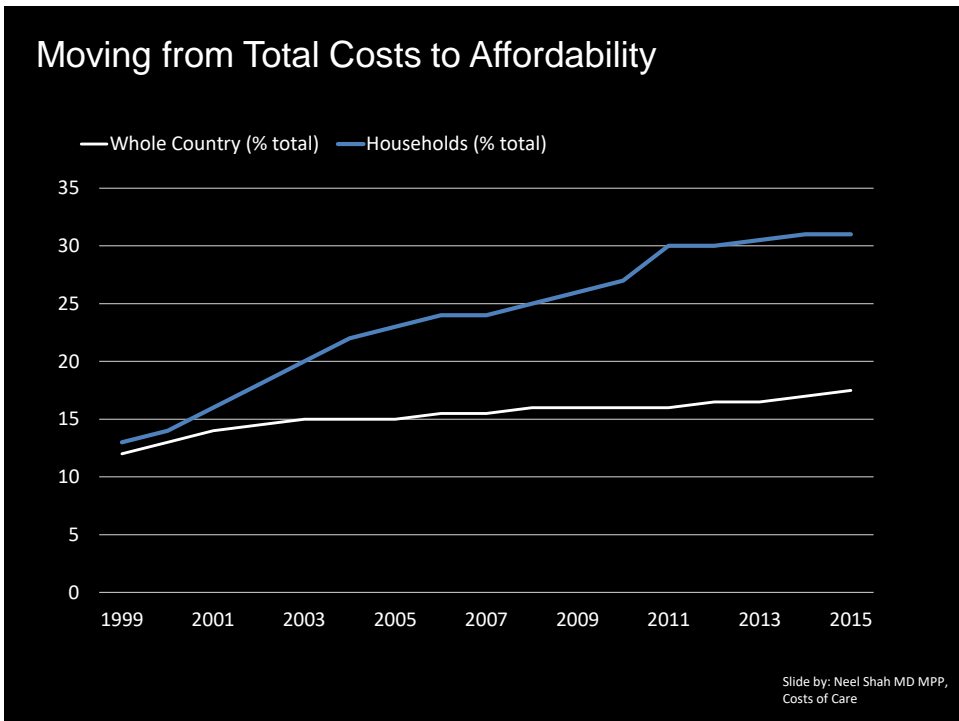
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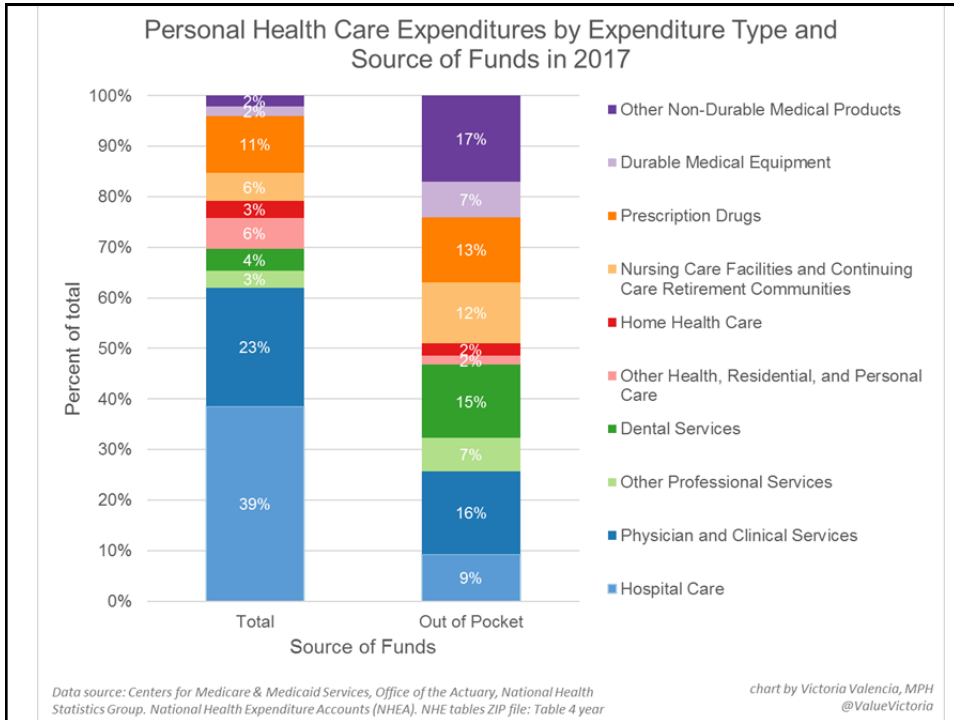
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3.78

5 %

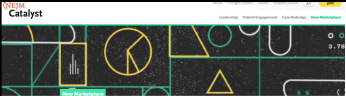
The Next Frontier in Reducing Costs of Care: Patient Affordability

Article • August 22, 2019

Reshma Gupta, MD, MSHPM,
Jordan Harmon, MHA & Patrick H. Conway, MD, MSc

Costs of Care
Blue Cross Blue Shield of North Carolina

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The Next Frontier in Reducing Costs of Care: Patient Affordability
ANNA | August 22, 2017

Key Components for Health Care Systems to Address Patient Affordability

This table outlines ways to address patient affordability by using meaningful, actionable out-of-pocket cost and payment transparency; training clinicians to better address patient affordability concerns; developing clinical and financial pathways to address affordability; and delivering care by lower-cost, high-quality sites of care and care teams.

Components	Subcomponents

41



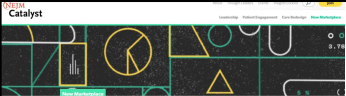
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Use Meaningful, Actionable Out-of-Pocket Cost and Payment Transparency (i.e., functional with point-of-care decision-making)	<ul style="list-style-type: none"> • Arrange patient-facing data by payer, sites of care, and clinicians, which may involve creating strong relationships with payer entities • Establish a clear strategy to deliver transparent data to clinicians and staff about process and outcome measures to maintain accountability. Can include using unblinded, frequent data transparency for coaching purposes.

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The Next Frontier in Reducing Costs of Care: Patient Affordability
ARC | August 22, 2017

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Train Clinicians to Better Address Patient Affordability Concerns	<ul style="list-style-type: none"> • Train clinicians and staff to use financial tools and have cost conversations • Establish accountability at all levels of care • Develop resources and general strategies to address affordability concerns

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ARC | August 22, 2017

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Develop Clinical and Financial Pathways to Address Affordability	<ul style="list-style-type: none"> • Implement universal screening • Support care pathway development • Institute high-risk committees to address needs of patients (particularly those who lack needed resources and agency)

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The Next Frontier in Reducing Costs of Care: Patient Affordability
NEJM Catalyst | August 22, 2017

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Deliver Care Through Lower-Cost, High-Quality Sites of Care and Care Teams	<ul style="list-style-type: none"> • Medical care • Pharmaceutical care • Diagnostic testing

Source: The Authors
 NEJM Catalyst (catalyst.nejm.org) © Massachusetts Medical Society

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A WORLD IN WHICH NO ONE HAS TO CHOOSE BETWEEN
THEIR **LIFE** AND THEIR **LIFE-SAVINGS**

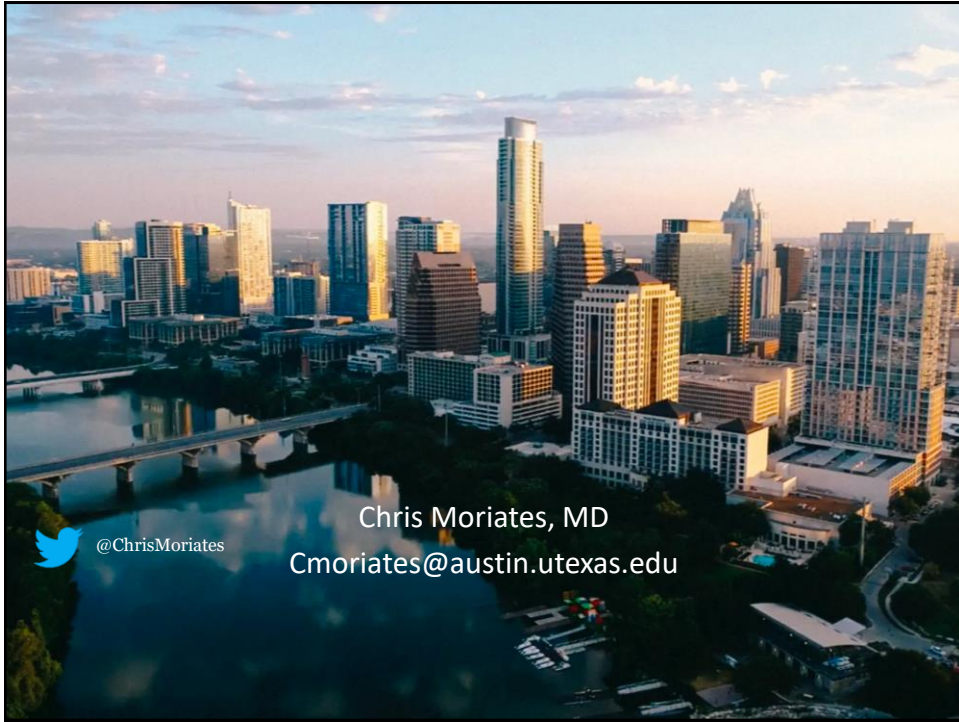
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The University of Texas at Austin
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