

International symposium



Delivering value-based healthcare
12 October 2016, 110 Rochester Row London

Programme

The HFMA Healthcare Costing for Value Institute provides a platform for support and ideas exchange with a focus on applying the theory of value-based healthcare in practice and maximising the value of patient-level costing information.

Achieving the best value from every pound spent on healthcare has always been a core focus of the UK National Health Service. Getting the most from any healthcare budget must focus on managing the limited resources that are available more effectively so that we can deliver the best possible outcomes for patients.

To state this is simple, but the enormity of the challenge itself is very real for anyone working in healthcare today. In this our first International symposium we will bring you innovative international practice for each stage of the journey that must be taken to measure outcomes and costs, translate data into intelligence, and deliver value-based healthcare.

08.30 Registration, networking & posters

Section 1: Welcome from the United Kingdom

10.00 Chair's welcome

John Graham, Deputy Chief Executive and Executive Director of Finance, Royal Liverpool and Broadgreen University Hospitals NHS Trust

10.05 Opening remarks

Dr Paul Buss, Medical Director, Aneurin Bevan University Health Board

10.15 Enriching relationships – “interfacing financial and clinical visions”

Dr Jason Dwyer, Plastic Surgeon and **Duncan Orme**, Deputy Director of Finance, Nottingham University Hospitals NHS Trust

Nottingham University Hospitals NHS Trust is the fourth largest acute teaching hospital in England and provides services to over 2.5 million residents. The trust has been on an exciting PLICS journey since implementation in 2010, focusing on integration and clinical engagement from the outset including the establishment of a PLICS Board and a clinically-led Data Quality Panel.

The improvement work has been tangible in terms of savings made and moving to monthly PLICS reporting, however the trust has also seen a huge cultural change over this time, particularly in clinical leadership.

In this session Jason will describe an ongoing transformation journey that is taking place for plastic surgery. The use of PLICS to analyse patient pathways here has hugely improved the quality of care and created a more efficient service. Duncan will share how this kind of work has been possible because of a highly effective clinical leadership programme undertaken by the trust.

10.45 Panel Q&A with section one keynote speakers

Chaired by **John Graham**, Deputy Chief Executive and Executive Director of Finance, Royal Liverpool and Broadgreen University Hospitals NHS Trust

11.00 Coffee break, networking & posters





Section 2: Translating data into intelligence

11.30 Laying our foundation - a 15 year journey driving improvements in costing

Dr Michael Rabenschlag, Head of Economics, Das Institut für das Entgeltsystem im Krankenhaus (InEK), Germany

The transformation to value-based healthcare requires health systems to measure costs and outcomes at the patient level. InEK has 15 years' experience costing healthcare at the patient level.

InEK oversees the hospital remuneration system in Germany. It came into operation in 2002, following legislation to introduce a diagnosis-related group (DRG) payment system across the German healthcare system. The organisation has overseen the introduction of a comprehensive pricing system for hospital inpatient activity and has developed a parallel system for mental healthcare.

Uniquely, the organisation has responsibility for the whole process involved in setting prices – maintaining the currency, defining the costing approach and collecting the cost data, and setting the tariffs. The German system is now widely regarded as a leading example of a large-scale DRG costing/pricing system within international healthcare.

Michael will give an overview of the German costing system including their processes for collecting and checking the cost and activity data. He will share the lessons InEK has learned in driving improvements in patient-level costing over the past 15 years, and demonstrate how Germany has moved from its hospitals seeing patient-level cost data as something desirable but not vital to run their business, to today where the data is seen as an absolutely vital element for every organisation in order to function.

Michael will also discuss how cost data is used, both for price setting and for decision-making locally within hospitals and healthcare organisations. This will give the audience an opportunity to draw parallels to how cost and activity data is interpreted and used in their own organisations, and to take on board some of the key learning cycles from InEK's experiences.

12.00 Evidence-informed decision making – maximising the value of patient-level cost data to improve patient care

Alfa D'Amato, Deputy-Director of the Activity Based Funding Taskforce, New South Wales Ministry of Health, Australia

Australia is recognised as one of the world leaders in patient-level costing, where costing standards are mandated. Alfa D'Amato is best known for leading the implementation of Activity Based Funding in New South Wales Health and its evolution to Activity Based Management (ABM).

Passionate about transforming data into insights for managing complex and efficient systems, Alfa has been pivotal in creating the comprehensive online ABM Portal program available to health workers. The transparent publication of data encourages collaboration between clinical services around developing and assessing models of care. The ABM Portal has been enhanced to a National Benchmarking Portal that is now being rolled out across Australia.

Alfa will provide an overview of the New South Wales costing system, before describing how the ABM Portal program was created. Of utmost importance is the rigorous governance process so the data is fit for purpose before being shared with clinical practitioners. Ensuring its quality and publishing it with 100% transparency, has led to one of the most significant changes in the way the data is interpreted and used.

By publishing across acute, mental health and community settings, health systems can follow the patient pathway and see the total cost of the journey, and more clearly the true cost and activity drivers. This greatly informs the clinical decisions being made.

Alfa will also touch on the next milestone which is to link cost and activity data to outcome and patient experience data at the patient level.

12.30 Panel Q&A with section two keynote speakers

Chaired by **John Graham**, Deputy Chief Executive and Executive Director of Finance, Royal Liverpool and Broadgreen University Hospitals NHS Trust

13.00 Lunch, networking & posters





14.00 Learning lab workshops

(A) Take a deep breath and do it differently

Dr Jean MacLeod, Associate Medical Director (Consultant Diabetologist) and **Stuart Burney**, Head of Contracting, Income and Costing, North Tees and Hartlepool NHS Foundation Trust

In this workshop we will hear from a trust that has both acute and community services, and is using the opportunity that creates to analyse cost and outcomes data across a full clinical pathway. This work focusing on patients with chronic obstructive pulmonary disease (COPD) has allowed an evidence-based move away from traditional pathways and in turn has reduced A&E admissions by establishing more timely and appropriate care in the community setting. Costing across a patient pathway is very complex so the initial work has been based on workforce costs and projected admission avoidance. However, by using a combined approach of clinical outcome analysis, patient satisfaction surveys and patient-level costing data interrogation, they have been able to develop a clearer understanding of the impact of different service delivery, and will be able to use this model of triangulated assessment for other clinical pathways when undertaking and evaluating service redesign in the future.

(B) Quebec integrated health and social care network experience

Jean Mireault, MD, MSc, Chief Medical Officer, Logibec

As this session will demonstrate, many of the challenges around utilising healthcare data effectively and the value-based solutions we work towards are very similar whether it's within the NHS system or outside the UK. In this session we will explore the power of collecting and measuring PLICS across the whole patient pathway, in the hospital and in the community. In Quebec a local non-governmental initiative has evolved over fifteen years to provide a system that is able to demonstrate the value of an integrated network. The Med-GPS PLICS is a time-driven activity-based costing system that identifies the resources consumed by patients each day in the hospital and in the community. Jean will discuss the methodologies used to connect clinical data at the patient level, develop a quality control mechanism and distribute cost data at the patient level. Jean will also touch on the more recent involvement of eleven hospitals and integrated health and social care centres in a project to combine their clinical and financial data to create a clinical cost per resource.

(C) Tackling unwarranted variation and maximising value in healthcare

Mary O'Brien, Delivery Partner and **Martha Coulman**, Delivery Partner, NHS RightCare

This workshop will give delegates an important overview of the NHS RightCare programme and its work to maximise value to patients, populations and the taxpayer by highlighting unwarranted variation in healthcare delivery at the population level. The RightCare approach is being rolled out to all health economies in England. RightCare is also being used to inform Sustainability and Transformation Plans. The session will explain how RightCare supports health economies to identify their biggest opportunities to increase value, and how to determine what changes need to be made to deliver this. This will include looking at case study examples where following RightCare has led to successful change to improve population health whilst making the best investment decisions.

15.00 Coffee break, networking & posters



Section 3: Delivering value-based healthcare

15.30 Unlocking the potential of value-based health care with global standard outcome measures

Dr Jan Hazelzet, Chief Medical Information Officer and professor in Quality & Outcome, Erasmus Medical Center, Rotterdam, Netherlands and **Dr Thomas Kelley**, Vice President, Business Development & Partnerships, International Consortium for Health Outcomes Measurement

The International Consortium for Health Outcomes Measurement (ICHOM) was founded in 2012 with the ambition to build on a solid framework developed at Harvard Business School by Professors Michael E. Porter and Elizabeth O. Teisberg, outlining the argument for using health outcomes data to redefine the nature of healthcare provision.

One of ICHOM's strategic partners is the Erasmus Medical Center based in Rotterdam, a recognised leader in innovations for health and healthcare worldwide, and one of the early adopters of the ICHOM standard sets.

While the ICHOM sets emphasise the outcomes side of the value equation, the ultimate goal is to measure outcomes in the context of known cost, activity and process data in order to grasp value-based healthcare as a whole. Jan will report on the implementation of value-based healthcare in Erasmus MC so far and their experience.

Thomas will discuss the ICHOM approach with a particular focus on translating the theory into practice. Jan will then cover the strategy Erasmus has taken to adopt the sets and implement outcome measures, as well the early days of starting to incorporate their cost information.

This session will explore both the impact of outcomes measurement and the journey of these outcome pioneers who are working to make the value equation a reality by implementing the ICHOM standard sets as well as linking the data to the resources used and their financial implications.

16.00 Delivering value at the population level

Santiago Delgado Izquierdo, Vice-President, Business Development and Integration and **Manuel Bosch**, Business Analytics Director, Ribera Salud Hospital System, Valencia, Spain

The challenges facing the Spanish healthcare system mirror those currently concerning the English NHS: an ageing population, rising costs, and increasing demand. Such challenges have propelled managers, clinicians and policy-makers to look further afield for innovative models that deliver efficient and effective healthcare.

The Ribera Salud Group began their journey over fifteen years ago by focusing on innovation, flexibility and best practices in the public healthcare system. During this time, they have developed public-private partnerships, have been the leader in innovation and have driven change by using the best healthcare practices.

In this session Santi and Manuel will introduce us at a high level to the Spanish healthcare system and then in more detail to the Ribera Salud model. We will look at its key principles, how the model works in practice and the impact it has had on healthcare outcomes and costs.

This will include how they have integrated primary care with the hospital system and the introduction of a capitated payment model. Santi will discuss the cost and clinical implications of a fully integrated system with capitated payment, and Manuel will demonstrate how all of this is underpinned by robust information systems and business analytics.

The ambition as ever is to link clinical information to costing information and bridge that gap. Santi and Manuel will take us on their ambitious journey with its challenges and lessons learnt as well as its successes.

16.30 Panel Q&A with section three keynote speakers

Chaired by **Dr Paul Buss**, Medical Director, Aneurin Bevan University Health Board

17.00 Closing remarks

Dr Paul Buss, Medical Director, Aneurin Bevan University Health Board

17.15 Close

18.30 Drinks reception, networking & posters

Held at 110 Rochester Row, London

19.30 Dinner

Held at the Grange Wellington Hotel, London