Bristol, North Somerset and South Gloucestershire Clinical Commissioning Group

70 YEARS OF THE NHS 1948 - 2018

Meeting of Governing Body

Date: 6 November 2018
Time: 9.00am
Location: Batch Country House, Lympsham, Nr Weston-super-Mare, Somerset BS24 0EX

Agenda number: 6.2

Report title: Value Based Healthcare

Report Author: Adwoa Webber and Charlie Kenward
Report Sponsor: Dr Peter Brindle

1. Purpose

The paper is to update Governing Body on the Healthier Together work on introducing and using a value based healthcare approach to the way that services in Bristol, North Somerset and South Gloucestershire are planned, purchased/contracted for and delivered to support:

- Improved health and wellbeing for everyone
- Better quality of care
- Sustainable finances

2. Recommendations

The Governing Body is asked to note the progress that has been made on introducing and using a value based healthcare approach in Bristol, North Somerset and South Gloucestershire.

3. Executive Summary

Value based healthcare is a way of supporting and enabling the work that Healthier Together and its constituent partners are doing to design and deliver changes. The approach considers the outcomes that matter to people (those who use services and those who deliver services) and the resources (people, time, money) that we commit to achieving those outcomes. We can maximise value by improving outcomes, reducing resources committed or by doing both. By identifying the outcomes that matter to people, we can identify and reduce or eliminate low value activity and agree how to use the released resources to do high value activity.

We have taken a number of steps to progress this:

- Clinical Cabinet – we have engaged with Clinical Cabinet who agree with the concept, have identified where they think it is already happening in BNSSG and are now considering which programmes of work we can apply it to in order to make it a reality

- Healthier Together Conference – Professor Sir Muir Gray's keynote speech explained to service user / public representatives, clinical staff and managers in BNSSG why a value based healthcare approach is needed
- Value Improvement Programme – Healthier Together has commissioned training for 20-30 clinicians and managers from Healthier Together partners to give them a comprehensive understanding of value based healthcare. This will help them apply and advocate for the approach in their teams, wider organisation and BNSSG-wide work they are involved in.
- Learning from good practice nationally and internationally – We are learning about how value based healthcare has been used, and to what effect from the UK, Europe and the USA.

4. Financial resource implications

There is a financial cost of £30,000 for the Value Improvement Programme training for the initial 20 members of staff from the Healthier Together partners and this is being met by the CCG. There will be a cost to the Healthier Together partners in releasing staff to attend the training. There will also be a financial cost to delivering the Clinical Conference in March 2019. The Healthier Together PMO will identify this cost and establish how each Healthier Together partner will contribute.

5. Legal implications

There are no legal implications at this time.

6. Risk implications

There is a risk that using a value based healthcare approach will not deliver or contribute to delivering the aims set out in section 3 of the main report. We will evaluate is effectiveness. There is also a small risk of low clinician attendance at the training due to provider operational challenges. Early notice of the training date will be given. There is a risk that the trained people are unable to implement what they have learnt. We are continuing to work with senior colleagues in all the Healthier Together partner organisations about the work and the progress being made to help mitigate this.

7. Implications for health inequalities

Understanding the outcomes that matter to people whose health outcomes are particularly poor (and that health and care can contribute to achieving), can support achieving population level value, i.e. place resources where there will be an impact on reducing inequality of health outcome and/or reduce the treatment burden for patients.

8. Implications for equalities (Black and Other Minority Ethnic/Disability/Age Issues)

Each piece of work will need to be assessed for implications for equalities. The Healthier Together STP Sponsoring Board, and individual providers where the change is operational, will want assurance on the implications for equalities on changes.

9. Implications for Public Involvement

The focus that value based healthcare has on the outcomes that matter to people using services means that health and care will want to build on the work that has been done in some parts of BNSSG services and work programmes in identifying these.

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1. Background

The Bristol, North Somerset and South Gloucestershire (BNSSG) health and care system has been exploring the principle of Value Based Healthcare as a way of supporting and enabling work to:

- Improve health and wellbeing for everyone
- Deliver better quality of care
- Deliver sustainable finances

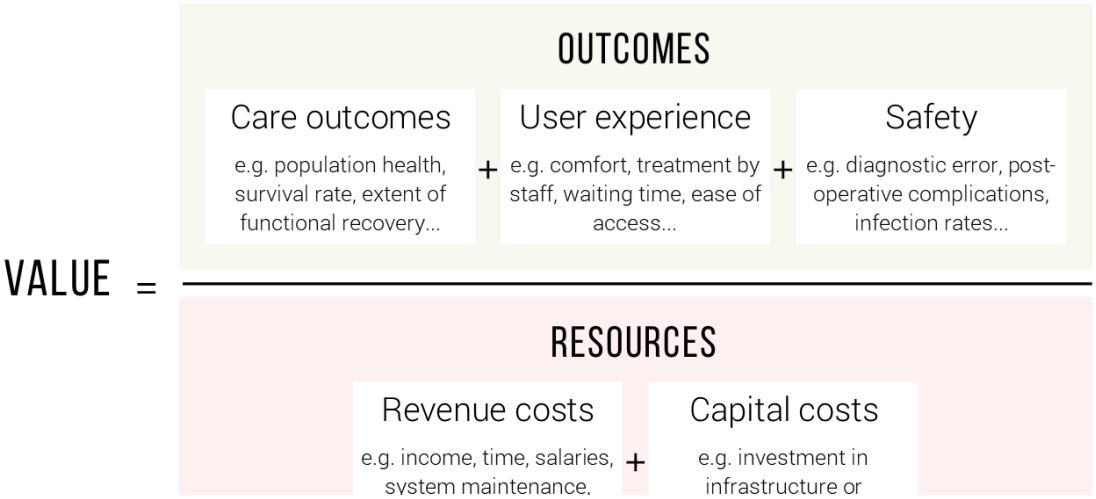
The Value Based Healthcare concept is relatively new, though the ideas it seeks to bring together are not. Value Based Healthcare is an attempt to systematically address several key areas of health policy, service design and clinical practice with the overarching aim of getting the greatest outcomes for our population, within a fixed, or even diminishing set of resources. Specifically, Value Based Healthcare seeks to address allocative, technical and personal value, known collectively as 'triple value'.

Allocative value relates to how well resources have been allocated to different groups, for example people with heart disease or mental health conditions, or subgroups of these. Once resources have been allocated they should be used efficiently to achieve the desired outcomes for everyone in need within the population. This is termed technical value and requires addressing both overuse and underuse of resources within the population. Finally, personal value is achieved by ensuring decisions are based on the outcomes that matter to an individual for a given amount of resources used by the health system and the individual and their family.

To achieve the 'triple value goal' of Value Based Healthcare, health and care will need to take a new approach to population healthcare. This includes, but is not limited to, measuring outcomes defined as valuable to individuals and shared decision-making with an informed population; consistently considering population level outcomes; shifting resources from low to high value activity; systematically tackling variation in the quality and patterns of care provision; rigorously tackling waste and; shifting focus in some care pathways from treatment to prevention.

In summary Value Based Healthcare does not seek to reinvent solutions to the challenges facing our health and care system, but aims to explicitly unite them and ensure that everything we do delivers maximum value for our population.

Value Based Healthcare can be summarised as:



where,

a) Maximising value means improving outcomes or reducing resources (without compromising either) or both
b) Conceptualising value like this provides a single uniting goal and a common language for finance and clinicians to speak

2. The context

People working in health and care and people who live in BNSSG recognise that:

– There are significant funding constraints
– There is increasing demand across most parts of health and care (numbers, complexity and cost)
– We have a system that feels fragmented and is exacerbated by perverse financial incentives[1]
– There is frustration amongst people who use services about the way that their care is organised and delivered
– There is frustration amongst health and care staff, who feel that they are not always able to provide safe, effective and equitable care to people who use services

3. What we are aiming to achieve

– A culture in which everyone, from the chief executives to the front line clinicians considers value at the heart of their decision-making
– The release and reallocation of resources from low value to high value activity
– An improvement in outcomes at the individual and population level
– Health and care playing their part in a reduction in inequality of health outcome
– A system where all staff experience meaningful, satisfying and joyful work

[1] : E.g. block contracting in primary care incentivises seeing fewer patients whereas the payment by activity model of outpatients incentivises high levels of activity to bring income into acute trusts. Note, this does not imply this is what actually happens, only where the incentives are.

Defining and measuring outcomes that matter to people who use services, used in conjunction with clinical metrics will enable clinicians and managers to design services that are of high value, while identifying and reducing low value activities. Areas for opportunity include:

- Secondary care assessments for patients with common mental health problems who receive no further specialist interventions
- Diagnostic investigations that do not lead to a change in patient management
- The use of surgical theatres for operations of evidence of limited value

4. Progress on making value based healthcare a reality in BNSSG

The CCG, with the involvement of the Healthier Together Programme Management Office (PMO), has taken a number of steps to move from the theory of value based healthcare to understanding what it means for health and care in BNSSG.

Clinical Cabinet

Discussions with Clinical Cabinet began in March 2018, who alongside the Healthier Together PMO have:

- Recognised that there are areas of good practice within providers in BNSSG that have identified the outcomes that matter to people, made changes to the way they deliver services and are measuring the impact of the changes on the identified outcomes
- Identified Stroke and Outpatient Transformation as programmes to which a value based healthcare approach could be applied to ensure that health and care and the BNSSG population generates maximum outcomes for the resources put in.

Healthier Together Conference

Professor Sir Muir Gray's keynote speech at the Healthier Together Conference in July 2018 focussed on value based healthcare and why this approach was needed. The presentation was well received by the audience which comprised service user / public representatives, clinical staff and managers.

Value Improvement Programme

We are working with Sir Muir's company, Better Value Health Care, to train a small group of clinicians and managers from Healthier Together partners to give them a comprehensive understanding of value based healthcare which would cover:

- The meaning of "value" and more specifically the three different types of value ("triple value")
- The need to cover the population level
- Systems and how they relate to programmes, programme budgets and Integrated Care Systems
- Culture change including how to create the culture necessary to minimise waste and optimise value
- Personalisation and its relevance to decision making

Healthier Together partners have nominated 20 members of staff to be trained and the training will take place in January 2019. These staff will use the knowledge that they have gained to apply and

advocate for the approach in their teams, their wider organisation and on BNSSG-wide work that they are involved in designing and delivering. A subsequent group of approximately 200 people will also receive training in order to be able to support the initial group in implementing the approach in system transformation work. Our initial intentions are to focus this resource in selected Healthier Together programmes.

Learning from what has been done and achieved nationally and internationally

We want to understand how other providers and commissioners have used a value based healthcare approach and what they have achieved by doing so. The three events that have supported this so far are:

- Attendance at the Healthcare Financial Management Association (HFMA) International Symposium on making value based healthcare a reality where clinicians from acute hospitals from the UK, Europe and the USA described what they had done and were currently doing to define and measure outcomes; drive value at a system level; make the most of data and; make value based healthcare a reality.
- Contact with Nottingham health and care system who have started a similar programme and are also working towards developing an Integrated Care System.
- The publication of The King's Fund Report "Approaches to better value in the NHS – Improving quality and cost" in October 2018.

The key points from these three events are:

- Defining outcomes that matter to people using services is critical
- Clinicians are essential in providing leadership but must also hand over more power to people who use services
- Improving value requires long term commitment (several years) to see a sustainable change
- Executive support must be in place to do things differently
- Investment is necessary to create infrastructure and support those driving change

Clinical Conference

The CCG and Healthier Together PMO are organising a BNSSG-wide, clinically-led conference scheduled for March 2018. The purpose of the conference is to bring together influential clinical leaders from across the system to begin a culture change and generate a shared purpose around improving the value of our health and care system. The conference will offer the delegates the chance to learn more about the value based healthcare approach and what this means for them, their organisations and the population of BNSSG. We plan to showcase examples of great practice already in place within the system, highlight significant areas of opportunity and create the space to network and plan the important next steps to delivering greater value for our population.

5. Financial resource implications

There is a financial cost of £30,000 for the Value Improvement Programme training for the initial 20 members of staff. This is being met by the CCG. The cost of training the larger group of staff is to be confirmed. In addition, there will be a cost to the Healthier Together partners in releasing staff to attend the training. There will also be a financial cost to delivering the Clinical Conference

in March 2019. The Healthier Together PMO will identify this cost and establish how each Healthier Together partner will contribute.

6. Legal implications

There are no legal implications at this time.

7. Risk implications

There is a risk that using a value based healthcare approach will not deliver or contribute to delivering the aims set out in section 3 of the main report. We are putting in place plans for evaluating the effectiveness of the approach in BNSSG. There is also a small risk of low clinician attendance at the training due to provider operational challenges. We are giving attendees early notice of the training date to help to mitigate this. There is a risk that the people who receive the training are unable to implement what they have learnt. We are continuing to work with senior colleagues in all the Healthier Together partner organisations about the work and the progress being made to help to mitigate this.

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Understanding the outcomes that matter to people whose health outcomes are particularly poor (and that health and care can contribute to achieving), can support achieving population level value, i.e. place resources where there will be an impact on reducing inequality of health outcome and/or reduce the treatment burden for patients.

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Each piece of work will need to be assessed for implications for equalities. The Healthier Together STP Sponsoring Board, and individual providers where the change is operational, will want assurance on the implications for equalities on changes.

10. Consultation and Communication including Public Involvement

The focus that value based healthcare has on the outcomes that matter to people using services means that health and care will want to build on the work that has been done in some parts of BNSSG services and work programmes in identifying these.

11. Recommendations

The Governing Body is asked to note the progress that has been made on introducing and using a value based healthcare approach in Bristol, North Somerset and South Gloucestershire.

Report Author: Adwoa Webber, Head of Clinical Effectiveness and Dr Charlie Kenward, Clinical Lead for Effectiveness, Research and Improvement
Report Sponsor: Dr Peter Brindle, Medical Director – Clinical Effectiveness

Glossary of terms and abbreviations

Outcomes	The impact that healthcare activities have on people, e.g. on their symptoms and ability to do what they want to do; how satisfied patients are with the care they receive. Outcomes focus not on what is done for patients but what results from what is done.
High value activities	Activities that contribute to achieving the outcomes that matter to people
Low value activities	Activities that do not contribute to achieving the outcomes that matter to people
Programme budgets	The amount of money put in to spend on a whole disease area, e.g. diabetes, across all of the care and not just the care provided by a particular organisation.
Integrated Care Systems	In an integrated care system, NHS organisations, in partnership with local councils and others, take collective responsibility for managing resources, delivering NHS standards, and improving the health of the population they serve
Treatment burden	The "workload" of health care that patients must perform in response to the requirements of their healthcare providers. Also, the "impact" that these requirements have on a patient. "Workload" includes the demands made on a patient's time and energy due understanding treatments, interacting with others to organise care, attending appointments, taking medications, undergoing investigations, etc. It also includes other aspects of self-care, e.g. health monitoring, diet, exercise. "Impact" includes the effect of the workload on the patient's well-being. Two patients with equivalent "workloads" may be burdened in different ways and to different extents. This can be explained by differences in their ability to handle work e.g. financial/social resources and literacy as well as the burden of the illness itself.[2]

[2] Gallacher K, Jani B, Morrison D, et al. Qualitative systematic reviews of treatment burden in stroke, heart failure and diabetes - methodological challenges and solutions. *BMC Med Res Methodol*. 2013;13:10. Published 2013 Jan 28. doi:10.1186/1471-2288-13-10