

DEFINING VALUE IN 'VALUE-BASED HEALTHCARE'

Opinion by Expert Panel on effective ways of investing in health (EXPH)

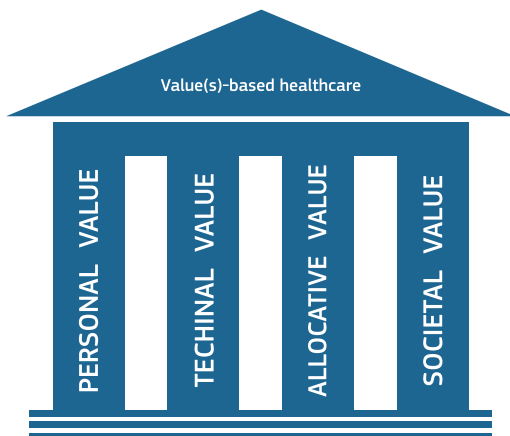
VALUE-BASED HEALTHCARE (VBHC)

Healthcare systems today are under pressure to optimise the use of limited resources, as they face rising costs associated with technological developments, more patients with multiple chronic conditions and changing clinical practice. The notion of 'value-based healthcare (VBHC)' is increasingly used in public discourse and 'value' is often discussed as 'health outcomes relative to monetized inputs'. However, **two important aspects must be considered:**

1. European healthcare systems are based on the concept of **solidarity**. The Charter of Fundamental Rights of the European Union and the European Pillar of Social Rights secure universal access to **affordable, preventive, curative and good quality healthcare in the EU**.
2. There is **no single definition** of 'value' within value-based healthcare. The definition of value is subjective and what is considered valuable can differ between patients, clinicians, healthcare providers, policy makers or industry stakeholders.

HOW TO DEFINE VALUE?

To meet the challenge to ensure the financial sustainability of universal healthcare and find resources to fund innovations it becomes essential to switch resources from lower value to higher value healthcare. The Expert Panel proposes a comprehensive concept built on four value-pillars to define 'value(s)-based healthcare' for conveying the guiding principles underlying solidarity-based healthcare systems:



ALLOCATIVE VALUE: Equitable distribution of resources across all patient groups.

TECHINAL VALUE: Achievement of best possible outcomes with available resources.

PERSONAL VALUE: Appropriate care to achieve patients' personal goals.

SOCIETAL VALUE: Contribution of healthcare to social participation and connectedness.

This comprehensive meaning of 'value' offers a wider perspective than the interpretation of 'value' as purely monetary in the context of cost-effectiveness.

HOW TO USE 'VALUE-BASED' HEALTHCARE?

It is possible to use 'value-based healthcare' to inform decision making and contribute to making healthcare systems more effective, accessible and resilient. Currently, initiatives have been taken to address areas such as:

- **Reallocation of resources:** Disinvestment for reinvestment
- Unwarranted variation defined as 'variation in the utilization of healthcare services that cannot be explained by variation in patient illness or patient goals'.
- **Fighting corruption**, fraud and **misuse** of **public resources**
- **Increase public value** in **biomedical** and **health** research
- **Regulatory policies** for better access to high-value (but costly) medicines
- Incentives for **fairer distribution** and more **optimal use of resources**

EXPERT PANEL'S RECOMMENDATIONS

A reallocation from low to high value care is perceived by the Expert Panel as the utmost necessity for sustainable and resilient European healthcare systems. A long-term strategy to achieve a cultural shift that enables the freeing of resources for reinvestment in high-value care and for the effective reallocation towards value-based healthcare, with a strong governance system is recommended.

1

Creating greater **awareness** of health as an essential investment in an equal and fair European society and of the centrality of it as a European value to achieving universal health coverage. This process needs to provide clear narratives setting out how the financial sustainability of existing progress towards universal health coverage is endangered by waste and low value care.

2

Develop a **long-term strategy** for a step-by-step value-based approach towards change of culture. This strategy should encompass the definition of a series of goals that support the long-term objective of change, moving forward in small steps (work plans), including the implementation and monitoring of effects by use of existing data sources and methodologies as well as the creation of mechanisms to further guide the direction of change towards high value care.

3

Support Research & Development on/of **methodologies on appropriateness** and unwarranted variation by exchanging robust methodologies for measuring and monitoring patterns of clinical practice, regional variation, appropriateness research, by stimulating data collections (incl. real world evidence and big data) and by defining and aligning goal-oriented outcomes that matter to patients.

4

Encourage **health professionals to take responsibility and feel accountable** for increasing value in healthcare, which may require freeing resources from low-value care to reinvest in high-value care encompassing the training of “change agents” (leaders) that feel accountable for the health of the population, including equitable distribution of resources across diseases. Health professionals hold a key role in advocating a change of culture towards social cohesion and connectedness.

5

Support the creation of **Learning Communities**, including communities of health professionals, to bring together the best expertise, experiences and practices, contribute to change of attitudes and to learn from each other by measuring, benchmarking and implementing actions across the EU. Member States should take the lead in identifying and pinpointing the most important tasks, the EC should create a supportive and facilitating environment for the establishment of those Learning Communities that will contribute to a change of behaviour and a change in legislation.

6

Support **initiatives for patients' engagement** in shared decision-making, recognising the importance of patients' goals, values and preferences, informed by high quality information to implement empowering practices and goal-oriented person-centred care.

About the Expert Panel on Effective Ways of Investing in Health

The Expert Panel's mission is to provide sound and independent advice in the form of opinions in response to questions (mandates) submitted by the Commission on matters related to health care. The opinions of the Expert Panel present the views of the independent scientists who are members of the Expert Panel. They do not necessarily reflect the views of the European Commission. For more information and to read the opinions in full: https://ec.europa.eu/health/expert_panel/home_en