

Healthcare Value Analysis Trends: Key Insights from the National Survey Drives Industry Change



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Association of Healthcare Value Analysis Professionals (AHVAP) and GHX

BACKGROUND

Traditionally, healthcare value analysis (HVA) relied on a somewhat subjective evaluation process, often driven by expert opinions and historical data. However, this approach had limitations in terms of transparency, objectivity, and adaptability to the rapidly changing healthcare landscape.

However, as the focus within healthcare shifts from volume-based to value-based care, HVA can play a pivotal role by helping to ensure that every dollar spent contributes to improved patient outcomes and optimized resource utilization. HVA is a linchpin of sustainability, helping organizations deliver high-quality care while effectively managing costs. But within this landscape of change, HVA professionals are grappling with numerous challenges that impact their ability to optimize value.

Healthcare Value Analysis is a specialized discipline within the healthcare industry that focuses on maximizing value and improving patient outcomes through the effective utilization of resources, technologies, and purchased services across the entire healthcare continuum of care. As a specialty, Healthcare Value Analysis encompasses a systematic approach to evaluating products, services, and processes to ensure optimal quality, safety, and cost-effectiveness.

At its core, Healthcare Value Analysis seeks to strike a balance between delivering high-quality care and managing costs without compromising patient safety. It involves a collaborative and multidisciplinary effort that brings together professionals from various healthcare domains, including clinicians, supply chain experts, financial analysts, industry partners, regulators, consultants, accreditation bodies, group purchasing organizations, and healthcare executives and administrators.

The primary objective of Healthcare Value Analysis is to optimize resource utilization by assessing the clinical, operational, and financial aspects of healthcare delivery. This specialty involves rigorous evaluation methodologies, evidence-based decision-making, and data-driven analysis to identify opportunities for improvement and make informed choices regarding products, technologies, and practices.

MATERIALS AND METHODS

In mid-2023, Global Healthcare Exchange (GHX) and the Association of Healthcare Value Analysis Professionals (AHVAP) partnered to conduct an industry-wide survey designed to analyze the current state of healthcare value analysis and how value analysis programs are functioning in a post-pandemic era.

The results of the survey demonstrate a variety of multifaceted challenges and opportunities within healthcare value analysis, and they have the potential to guide HVA professionals towards more informed decision-making, including the potential for technology-driven solutions, data analytics, and collaborative approaches to enhance value-based decision-making. This whitepaper presents a summary of these results within the broader context of the shifting healthcare landscape.

About the Survey:

The survey was delivered to a total of 10,282 unique healthcare leaders. A total of 1,681 surveys were fully completed. Industry/supplier partners were not requested to participate in the survey as the target audience was healthcare organizations.

Survey respondents identified their primary place of practice/employment in multiple delivery systems of healthcare with the majority being found in integrated delivery Networks (IDNs) (51.2%). While respondents had a wide distribution of experience levels and professional backgrounds, nearly one-third of respondents had three years or less of history as an HVA professional.

Healthcare Quality Improvement is a core element of the Healthcare Value Analysis process and is at the center of clinical supply chain efforts. By recognizing the current and potential future states of the specialty of Healthcare Value Analysis, we are able to take immediate and data-driven action to address deficiencies and also improve leadership across the healthcare continuum of care. Patient acuity and census continues to strain existing healthcare resources, but using an integrated approach to product evaluation, implementation, and advancement of clinical standards of care is imperative. Patients have expectations that products and medical devices utilized for their care will be both safe and efficacious, and the the specialty of Healthcare Value Analysis collaborates with Healthcare Quality, Infection Prevention and Control, Nursing, Medical Staff, Industry Partners, Risk Management, and others to drive evidence-based practices across the continuum of care. This also leads to clinical product standardization, improvement in clinical outcomes, and reduction of preventable costs of care delivery.

RESULTS

The field of HVA is built on collaboration. On a daily basis, HVA professionals interact with teams that include nursing, medicine, pharmacy, respiratory therapy, medical technology, supply chain, business, and analytics. As such, HVA is a multifaceted discipline influenced by numerous trends, issues, and challenges that need to be understood in order to map a dynamic path forward for HVA. Five of these trends are outlined below along with contributing factors and insights for moving forward.

Trend 1: Escalating Healthcare Costs

The relentless rise in healthcare costs is creating a massive strain on healthcare budgets, making it increasingly e 2020, supply expenses have increased by approximately 14.2%.¹ The healthcare industry faces substantial revenue pressures from rising costs, notably labor inflation. Additionally, certain healthcare sectors are still seeing consumer spending levels that are almost 5% less than before the pandemic.

Trend 2: Supply Chain Disruptions

The COVID-19 pandemic exposed supply chain vulnerabilities, including shortages of critical medical supplies, that continue to plague the healthcare delivery system.

Trend 3: Data Management Challenges

Healthcare organizations are inundated with vast amounts of data. HVA professionals face significant challenges in collecting, managing, and analyzing this data.

Trend 4: Lack of Clinical Standardization

The absence of standardized approaches and definitions in healthcare value analysis contributes to ambiguity and variability, hampering decision-making and comparability of analyses. Nearly 36% of survey respondents report being reliant on clinician preferences or cost-based models for decision making.

Trend 5: Regulatory and Reimbursement Changes

HVA professionals must adapt to frequent regulatory changes and shifting reimbursement models to align their analyses with evolving requirements. This need for adaptation is emphasized by the significant number of professionals unsure about their standing in the value-based care landscape.

COLLABORATIVE LEADERSHIP

A key survey finding emphasizes the importance of engaged executive leadership and a collaborative medical director in healthcare value analysis programs. In fact, according to the survey, nearly 70% of respondents were not sure about which value-based care programs their organization participates in, hinting at the need for better communication and understanding at the executive level.

Programs with this team-based approach are more likely to achieve sustainable success in the value-based care model compared to those lacking these resources and structure. AHVAP has recently defined five key components of healthcare value analysis:

- **Evaluation and assessment:** Assessing clinical efficacy, safety, and cost-effectiveness through evidence analysis, comparative studies, and stakeholder input.
- **Cost management:** Identifying cost-saving opportunities, optimizing resource allocation, and reducing waste through collaboration and utilization analysis. This is especially critical, as the survey indicates that 72.4% of respondents have an annual savings target tied to the organizational budget.
- **Patient-centered care:** Ensuring value delivery while prioritizing patient needs and outcomes.
- **Collaboration and Stakeholder Engagement:** Fostering effective communication, consensus-driven decision-making, and alignment with organizational goals.
- **Continuous Quality Improvement:** Monitoring outcomes, evaluating interventions, and adapting strategies to evolving healthcare landscapes.



APPLICATIONS TO PRACTICE

The GHX/AHVAP Value Analysis Profession Survey offers a holistic look at the evolving landscape of healthcare value analysis and its implications for today and tomorrow, shedding light on the multifaceted challenges and opportunities within HVA.

It highlights the potential for technology-driven solutions, data analytics, and collaborative approaches to enhance value-based decision-making. As healthcare professionals grapple with rising costs, supply chain disruptions, data management challenges, lack of clinical standardization, and regulatory changes, the survey offers valuable insights to help them navigate these complexities.

Ultimately, data-driven healthcare value analysis emerges as a game-changer, helping transform a traditionally cost-focused process into a more objective, patient-centered approach that improves outcomes. By harnessing data and analytics, healthcare organizations can identify trends, manage variation, reduce costs, and improve patient care. However, challenges such as data silos, security concerns, and the need for cultural shifts must be addressed.

Overall, the survey underscores the importance of a multidisciplinary and collaborative approach to value analysis, aligning with evolving healthcare policies and regulations, and embracing technology to shape a healthcare system that delivers better value, patient outcomes, and cost-effective care. Healthcare Value Analysis Professionals must continue to collaborate with Healthcare Quality Leaders & Professionals to drive improvement in clinical outcomes and reduction of preventable costs of care delivery.

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