Transforming Healthcare Delivery: A Specialized Approach to Value Analysis Incorporating Enhanced Clinical Outcomes, Improved Care Value, and Reductions in Preventable Costs

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BACKGROUND

Healthcare value analysis contributes to optimal patient outcomes through an evidenced-based systematic approach to review healthcare products, equipment, technology and services. Using recognized practices, organizational resources collaborate to evaluate clinical efficacy, appropriate use and safety for the greatest financial value.

A Value Analysis Professional is dedicated to clinicians and multi-disciplinary teams to ensure optimal patient outcomes through clinical efficacy of healthcare products and services for the greatest financial value.

Premier, a leading Group Purchasing Organization, has led the development of an integrated approach to clinical value analysis that incorporates improved clinical outcomes, improvement of the patient's experience, and reduction in the overall cost of care delivery.

As a process for how healthcare organizations obtain supplies, services and equipment, value analysis contributes to the development and preservation of a clinically integrated supply chain, first considering care delivery, safety and outcomes, and then factoring in total cost. This ensures that high-quality supply and service decisions are made in a fiscally responsible manner. Value analysis programs, processes and decisions must be structured within a framework of quality and safety, focusing on the appropriate utilization of supplies and services. Stakeholders must also follow applicable organizational processes and support the health system's mission, vision and strategic goals.

The process strives to balance issues related to quality, patient and staff safety, revenue enhancement, and reimbursement optimization across the continuum of care. This is accomplished through:

- Appropriate standardization
- Pricing optimization
- Implementation of cost-savings initiatives
- Identification and elimination of waste, redundancy and inefficiency

Premier has utilized an independent group of clinical, operational, and financial experts to create an open-access Value Analysis Guidebook that provides all healthcare facilities with strategic guidance on building a formidable value analysis program. This tool helps to advance healthcare access, quality, patient and caregiver safety, and reduce preventable harm and costs. Value Analysis, as a specialty, is directly aligned with the IHI Quintuple Aim.

MATERIALS AND METHODS

Value Analysis Leading Practices for Today's Healthcare include a standardized approach to the process. By applying a standardized methodology to the process, healthcare systems can enjoy more sustained clinical outcomes, cost savings, and an improved approach to clinical care delivery through clinical standardization. The steps to building a robust value analysis capability include:

1. Establish a team.

Create a multidisciplinary team of key stakeholders. Set a consistent meeting schedule and share the agenda and supportive data in advance of each meeting. For streamlined workflow and more efficient decision making ,invite other attendees to provide targeted expertise as needed.

2. Create a foundation of holistic and robust data on which to rely. Inventory current data sources – including internal, external and GPO-based solutions – that can provide decision support around cost, quality, safety, outcomes and reimbursement. If this capability does not exist, work with your leadership to make a business case for acquiring or building access to these information sources. Without data, evidence-based decision making cannot take place.

3. Take control of new product approval. Develop and implement a standard process for new product requests. Limit supplier requests that do not have an internal sponsor. Standard processes are often supported by a request form (paper or electronic) and a clear submission path.

4. Transition from reactive to proactive processes.

Dedicate a steadily increasing portion of the value analysis agenda for proactive assessment of critical procedures or Diagnosis-related group (DRGs), with a call to examine what is used within a procedure when issues with cost, quality, safety or outcomes are identified.

5. Leverage findings within the organization. Communicate organizational improvement opportunities (e.g., unjustified variation, improper coding, etc.) that are revealed during the value analysis process so improvements can be made within the applicable areas.

6. Monitor, monitor, monitor. Ensure your work continues beyond decision and implementation. All implemented changes are done so with an outcome or goal in mind. Track to the goals until you are sure you have optimized the opportunity and ensure that any changes to process are holding strong.

ADVANCING QUALITY, ACCESS, AND SAFETY

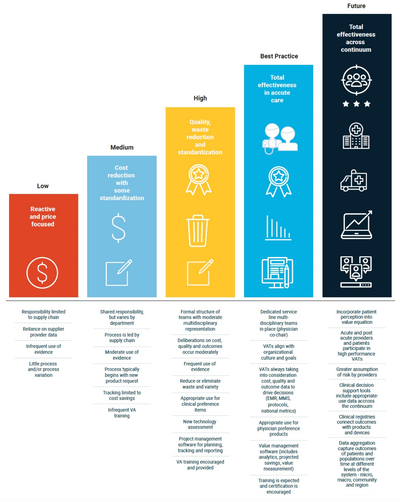
To support the evolving needs of the healthcare continuum, a Value Analysis Maturation Scale was developed to assist healthcare facilities and leaders in developing and assessing their value analysis programs using a continuous quality improvement lens. By conducting a baseline assessment of the programmatic capacity and capabilities, one can create a value analysis journey, assign appropriate resources, and then make the necessary adjustments to achieve the health systems goals. The Maturation Scale also requires constant collaboration with the Group Purchasing Organization partner to further drive value-based standardization and strategic cost savings, all while maintaining improved clinical outcomes.

The value analysis maturation curve depicted in the graphic illustrates the progression of healthcare organizations as they evolve their approach to value analysis, from a reactive and price-focused beginning to a future that emphasizes best practices and overall effectiveness in acute care.

At the low end of the maturity spectrum, organizations are reactive and heavily price-focused, with responsibilities predominantly resting on the supply chain and decisions often driven by supplier-provided data. There's a notable lack of process uniformity or variation, and value analysis training is infrequent. As organizations mature, they move towards a medium level where cost reduction with some standardization is observed. This phase is characterized by a shared responsibility, modest use of evidence, and the beginning of systematic tracking of cost savings. The process is typically led by supply chain personnel and begins with new product requests.

Training in value analysis becomes more frequent, suggesting a growing recognition of its importance. Progressing to a higher level of maturity, organizations establish a formal structure with dedicated multidisciplinary teams, including moderate to substantial clinical representation. There's a notable shift towards deliberations on cost, quality, and outcomes that occur more frequently. These organizations show a marked preference for clinical items and a new inclination towards assessing new technologies and project management software, indicating a more holistic approach. The highest maturity level demonstrates best practices and is represented by institutions with dedicated service line teams that align value analysis with organizational goals and culture. These entities engage in continuous tracking, employ advanced data analytics software, and emphasize ongoing training and certification, reflecting a sophisticated and forward-thinking approach to value analysis that aims to optimize patient care and resource use. When performed correctly, healthcare value analysis advances clinical outcomes, improves patient satisfaction, enhances access to care, and reduces preventable costs.

VALUE ANALYSIS MATURATION SCALE



Source: Premier Value Analysis Guidebook, 5th Edition

Programs with a team-based approach are more likely to achieve sustainable success in the value-based care model compared to those lacking these resources and structure. The Association of Healthcare Value Analysis Professionals (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

A standardized healthcare value analysis process is instrumental in streamlining operations, ensuring consistency, and maximizing the use of healthcare resources, which ultimately contributes to increased access to healthcare. By implementing uniform procedures and criteria for evaluating the cost-effectiveness and clinical efficacy of medical services and products, healthcare providers can avoid unnecessary variations in patient care, which often lead to excessive costs. Standardization also facilitates the efficient allocation of resources, thereby enabling healthcare facilities to serve a larger patient population without compromising quality. Moreover, it helps in negotiating better prices with suppliers and manufacturers due to the higher volume of standardized products procured, leading to cost savings that can be redirected towards expanding access to care, particularly for underserved populations.

Furthermore, reducing preventable costs goes hand in hand with improving clinical outcomes. A standardized value analysis process helps in identifying and eliminating wasteful practices that do not contribute to patient health, such as the use of non-essential diagnostic tests or the preference for more expensive treatments that do not demonstrate superior outcomes. By focusing on evidence-based practices and cost-benefit analyses, healthcare institutions can ensure that only the most effective treatments are utilized, thereby enhancing the quality of care. This vigilant approach to cost management and quality assurance minimizes the incidence of medical errors and adverse events, improving patient safety and outcomes. Such a standardized approach not only sustains healthcare systems financially but also raises the standard of care, illustrating that financial prudence and high-quality patient care can be synergistic.

FOR MORE INFORMATION

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