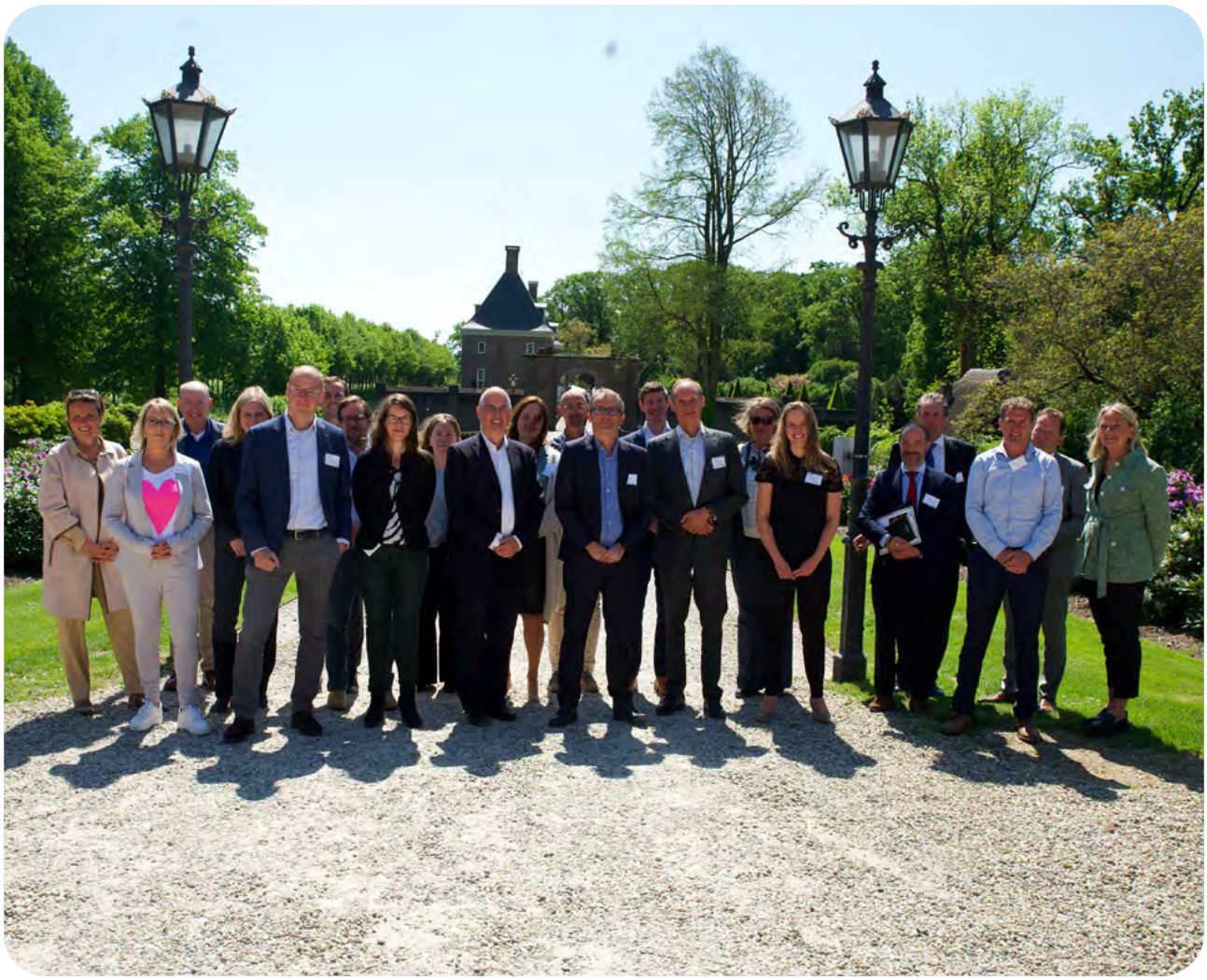
VALUE AGENDA NL
ValueBasedHealthCare

Value Agenda for the Netherlands

Getting reimbursement of health care in line with value creation - the sequel

#ValueAgendaNL



THE DECISION GROUP
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Preface

It was a pleasure to have under Chatham house rule a group of doctors, patients, industry, policy makers, insurers and providers with us for the 5th edition of the Value agenda working session on the 11th of May 2022. The aim of The Value Agenda NL has always been to drive Value-Based Healthcare implementation in the Netherlands to the next level. The main topic of this year's working session was Paying for Value, in line with the former edition in 2021. The Value Agenda 2022 built strongly upon the significant progress attained during the session in 2021. With more concrete examples and guidelines on the implementation of payment contracts and with greater focus on patient value than ever.

The Working Session throughout the years:
Where we yearly look at the Value Agenda for the Netherlands from a progress perspective and monitor change, we this time focused on getting concrete actions to accelerate payment models based on value for patients. The initial Working Session with Prof. Porter, PhD. in 2017, with Dr. Bohmer and Prof. Cripps in 2018 and in 2019 with Prof. Teisberg, PhD, led to key actions to stimulate outcome measurement, leadership and culture. The topic of the 4th and 5th edition of The Value Agenda NL was suggested by Prof. Porter, PhD years ago. He stated: "I personally feel that getting the reimbursement right and aligned with value rewarding integration and paying for good outcomes, this is the holy grail. This is what's going to, at the end of the day, really transform healthcare forever". Together with an expert group and cases in practice by Dennis van Veghel, PhD and Paul Cremers, PhD, in 2021, and Hans Feenstra and Peter Langenbach, in 2022, the importance of paying for outcomes and innovation was discussed extensively.

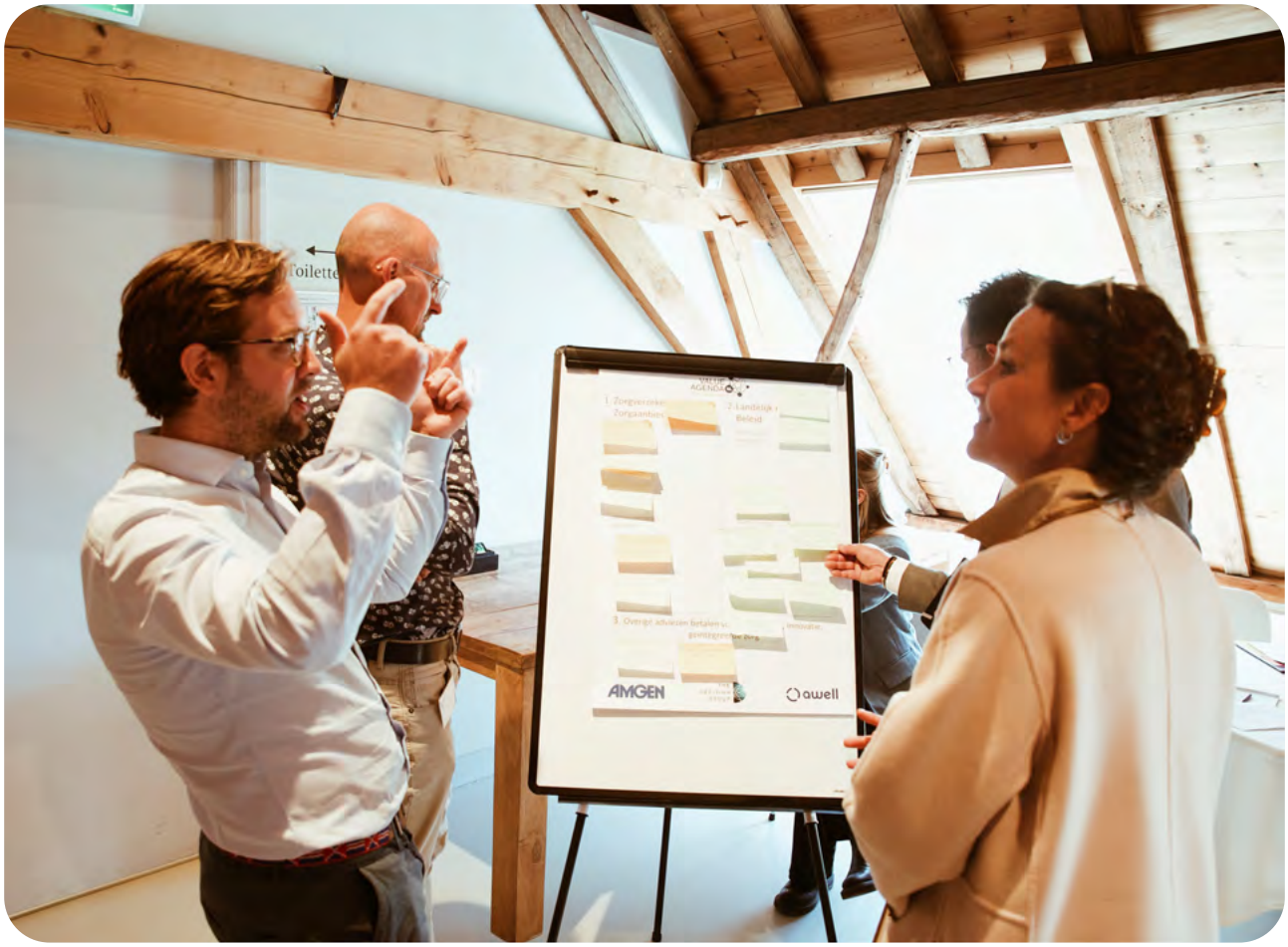
Although the progress on The Value Agenda for the Netherlands is substantial for 2017 until 2022, most notably the Value Agenda Working Session draws a lot of attention internationally and impresses and inspires many. We observed over 125,000 visitors around the world interested to learn more on the Value Agenda. Internationally, more and more professionals show interest in the Dutch approach on payment for fair healthcare towards patients. The impact of the Value Agenda for the Netherlands is achieved by this national and international mingled community using and implementing the ideas and suggestions in the Netherlands and beyond.

"It's reimbursement for the value you create by dealing with the whole problem, rather than paying people for individual services along the way "

Prof. Michael E. Porter, PhD.

Preface

To move value-based healthcare forward in 2023, key for providers, payers, patients, industry, and the health systems alike is to move from talking about new ideas to implementing the guidelines and examples on payment for patient outcomes and innovations in practice. In the beginning of 2019 bundled payments set foot in the top 3 of most important calls for action for the future. Now, 3,5 years later, the time is ripe to put the new ideas to work.



Content

Introduction

The healthcare system in the Netherlands is under pressure. The growing demand and rising costs of healthcare are not sustainable. We need to change the way we organize and deliver health care. Part of the answer lies in the way we create incentives and how we pay for healthcare. Paying for value has been the main topic for last years' Value Agenda Working Session and this year we continued the conversation on what is needed with respect to contracting in which paying for value can be integrated.

The Working Session resulting in the Value Agenda for the Netherlands is key to generate actions to take value-based healthcare (VBHC) implementation to the next level. This year a group of ~ 25 multidisciplinary professionals and leaders in healthcare in the Netherlands were inspired by two practical examples: Hospital Bernhoven and Maasstad Hospital – presented by respectively Hans Feenstra and Peter Langenbach. Both hospitals have experience in setting-up contracts with health insurers in which 'Paying for Value' was part. The group of professionals thereafter discussed and formulated answers to three questions. What should be included in contracts between health insurers and healthcare providers to pay for value? What is needed at the national level from a policy perspective to enable value-based contracts? And: what other advice or tips do attendees have regarding paying for patient outcomes, rewarding and encouraging innovation, and/or integrated care?

The Working Session resulted in new insights, recommendations and (pre-)conditions, to be found in this report. This Value Agenda for the Netherlands report sets aside the 10 main accelerators to be able to Pay for Value as well as the progress we have seen over the last year on the other action points of the agenda.

Enjoy reading!

Value Agenda NL update

Developments of VBHC initiatives last year

Last year we saw many initiatives all focusing on different aspects of the Value Agenda by increasing value for patients with their work. An interesting observation this year is the variety and ingenuity of the different VBHC implementation approaches.

Call for Action	Visible trend
I. Leadership and culture	• More attention to nurses and teams • Sharp choices that benefit patients first, then staff, then processes and organizations
II. Integrated Care	• Growth of automated and flexible patient pathways and data flows • More work in networks and sharing staff across locations
III. Universal measurement	• Development towards quality of life and quality of life of family • Moving towards more “huddle forms” per patient on time prepared from data support
IV. Bundled Payment	• Longer contracts with more stability for providers
V. Patient’s choice	• Use of Appropriate Care elements but also look at what patients need above the norm care and cure • Patient’s frustration seems to be growing. • Patients are concerned on growing waiting lists and concerned that negotiation with doctors and nurses in necessary to get services
VI. Complex care	• Oak Street Health case is used as a best practice to make complex care delivery simple more and more • Digital, data driven and personalized care and ICT is making progress

Value Agenda NL update

Developments of VBHC initiatives last year

Call for action IV, aligning pay for outcomes based on risk sharing for better outcome implementation and innovation remains the key challenge for the front runners of VBHC. We can safely say that the practical application of the bundled payment concept has been getting steam. Increased efforts towards policy changes and lots of experts sharing their personal experience with payment models that were successful through endorsement of innovation, are observed. Since the 2021 Value Agenda of the Netherlands we already see some (inter)national key examples of successful attempts on the call for action to work on payment reform:

- **Continuous innovation of contracts beyond savings schemes (Dental Health Services Australia)**
- **Reducing the burden of delivering proof (Maasstad Hospital Rotterdam)**
- **Thinking beyond the bricks of organizations (NHN, the Netherlands Heart Network)**
- **Taking responsibility (Oak Street Health)**

Paying for value achieved instead of care delivered

Over the last decade, the way we pay for health care is under debate. It has become apparent that the current reimbursement model, fee-for-service (FFS), is not the best model for most types of care. FFS does not reward value but services instead, sometimes even resulting in being financially punished for providing better outcomes for patients (f.i. reducing side-effects or complications of treatment is beneficial for patients though these prevented care activities mean loss of revenue for hospitals). Over the last two years, the limitations and drawbacks of our current reimbursement system are felt in practice more than ever. Care providers, health insurers, industry and government all acknowledge that change is needed to stimulate patient outcomes, access to innovation and integrated and coordination of care.

Therefore, the Value Agenda NL in 2021 and 2022 focused on the topic of paying for healthcare in two separate working sessions. During the first session in October 2021, there was a lively discussion on the central questions **how to align reimbursement best with patient value creation?** Various recommendations and experiences were shared on three underlying questions:

1. **How can we reward or pay for good outcomes?**
2. **How can we stimulate innovations that improve patient value (and reduce cycle time)?**
3. **How to encourage integration of care?**

This first working session resulted in six key recommendations on for the transition to pay for value (see figure on page 9 for the complete list of recommendations of the Value Agenda 2021)

"A change is needed! Healthcare contracting needs to be focused on the quality of care for patients and not on volume"
Hans Feenstra,
Interim managing director Bernhoven

Paying for value achieved instead of care delivered

List of recommendations from the 2021 working session.

Call for action I. Leadership & Culture

Recommendation 1 **Grow VBHC leadership attributes for nurses**

Recommendation 2 **Use benchmarking stimulating a learning culture to maximize patient value**

Call for action II. Integrated Care

Recommendation 3 **Use more patient stratification in primary care**

Recommendation 4 **Move beyond traditional care lines to form care networks**

Call for action III. Universal Measurements

Recommendation 5 **Expand the use of uniform outcome set; do not reinvent the wheel**

Recommendation 6 **Improve user operability for working with PROMs**

Call for Action IV: Bundled Payment

Recommendation 7 **Keep innovating contracts beyond savings schemes**

Recommendation 8 **Reduce the burden of providing proof for innovation**

Recommendation 9 **Make deliberate choices on centralized innovation**

Recommendation 10 **Think beyond the bricks of organizations**

Recommendation 11 **Ensure a solid data infrastructure which allows to share uniform data**

Recommendation 12 **Take responsibility: don't end up in a coordination stalemate**

Call for action V. Patient Choice

Recommendation 13 **Lack of available capacity is hampering patients' choices**

Recommendation 14 **Patient choice based on specific treatment options, joint consent and patient engagement must keep increasing**

Call for Action VI: Complex Care

Recommendation 15 **Invest in both primary and secondary prevention for patients at (high) risk**

Recommendation 16 **Provide more cost information to medical teams next to outcome information**

The Value Agenda 2022

10 accelerators in the journey to pay for value

The second part of the Value Agenda NL, the 2022 edition, continued the journey to move towards paying for value. In this second session, the focus shifted more towards tips and elements that can already help in putting alternative reimbursement into practice. Therefore, the central question discussed was: what can we already do to reform payment and implement elements in practice that focus on value creation?

To enable a good discussion, a distinction was made in the discussion with regards to the scope of reimbursement of care. On the one hand the opportunities and barriers for reimbursement of care from a national level (macro-economic perspective) were discussed, focusing primarily on accelerators that are best implemented top-down. On the other hand, the accelerators were assessed from a regional/local level (meso and micro-economic perspective), focusing primarily on the agreements between health care organizations and health insurance companies.

During a energetic discussion many accelerators were identified that can already be implemented or utilized, but it was also clear that it really takes guts to move away from the standard "Price x Quantity" discussions. Out of the discussion, ten accelerators are distilled in total that can help in making the transition towards paying for value. These ten accelerators are summarized in the next section.

"Currently most reimbursement discussion focusses on PxQ (price & volume), hopefully resulting in the best quality. Why isn't quality at the heart of this discussion?"
Fred van Eenennaam,
The Decision Group

Key accelerators towards paying for value

For each of the accelerators below it is indicated whether the recommendation is primarily aimed at national level, targeted at the agreement between healthcare organization (HCO) and -insurer (HCI) or both.

1. Ensure a clear and shared purpose: contract ≠ goal
2. Include outcome indicators and KPIs
3. Select national focus indications every year
4. Reward prevention – also pay for doing less
5. Provide financial comfort for care providers
6. Mobilize citizens by transparently showing outcomes achieved to our society
7. Stimulate collaboration within the region/network
8. Autocracy on data infrastructure and sharing of data
9. Connect with the government to remove barriers and stimulate education
10. There is no one size fits all: Search for fit between payment model and type of care

Key accelerators towards paying for value

1. Ensure a clear and shared purpose: contract ≠ goal

First and foremost, it was clear that for an alternative reimbursement agreement between HCO and HCI that a shared purpose is mandatory. Do the HIC and HCO agree on the objectives and changes that you want to induce? This shared purpose is key to provide to design the right contract that supports the objectives that are set. In the end, the contract should only support the shared ambition of the two (or more) contractors and making an alternative reimbursement contract is never a goal in itself.

For healthcare organizations especially, it is important to make deliberate choices on the focus of the organization and make sure that it is shared amongst all levels of the organization, including board of directors, healthcare procurer and medical staff. Also, these choices are very tightly linked to the fundamental archetype of the healthcare organization and demands for hard choices on which types of care to scale down or push off and which types of care are in full focus.

"It starts with a leader who not only fully supports paying for value, but also inspires others to start thinking about it"
Peter Langenbach, former chairman of the board at Maasstad Hospital

Key accelerators towards paying for value

2. Include outcome indicators and KPIs

Including outcomes that matter to patient maybe sounds like kicking in an open door, but still, it is necessary to mention. Unfortunately, a complete set of patient outcomes being measured is not yet the golden standard, so it is important for each contract to discuss and decide on outcome measures that matter to patients to include in a contract. Especially outcomes that are expected to be impacted by innovations and the shared purpose as discussed before.

In addition to patient outcomes, the inclusion of other metrics in these types of agreements was discussed, for instance the use of specific and suitable KPI's at the side of the health care insurer to optimally stimulate collaboration. Also, metrics for the HCO to measure and stimulate to work on the improvement agenda can be considered. Although various metrics within different categories was considered valuable, the administrative burden increases with each metric and should seriously be taken into account.

3. Select national focus indications every year

The Netherlands is frontrunner in value-based healthcare and therefore we see an ever-growing number of initiatives and pilots. Because we are working on a widespread of topics within value-based healthcare for numerous indications/diseases it could be helpful to have a select number of national focus indications that are set every one or two years. This enables that the variety of topics explored within VBHC are now more catered towards certain disease areas and therefore a larger support can be realized to truly implement changes.

In addition, this could also help from a political point of view with regards to making more rigorous choices based on where most public value of healthcare can be achieved.

Key accelerators towards paying for value

4. Reward prevention – also pay for doing less

The basis of our current reimbursement model is that we pay for services delivered and we do not pay if care activities are prevented. While it is an absolute 'no-brainer' to stimulate achieving similar or better patient outcomes while performing less care activities (meaning reduced costs), it is not stimulated financially. You could also argue that healthcare organizations are being punished to put effort on prevention and for providing more efficient or effective care. During the discussion a win-win situation was posed in which care providers are incentivized by providing them with a (predefined) portion of the DOT/DBC that is missed because of preventive actions taken. This way, care providers still get paid for doing less or even doing nothing (meeting outcome requirements), while insurance companies have to pay less than 100% which they would have if the HCO did not actively prevent care.

Key accelerators towards paying for value

5. Provide financial comfort for care providers

The financial risk of alternative reimbursement contract cannot be overseen well by healthcare organizations at this point, especially for agreements with a large scope or including multiple medical conditions. Therefore, many healthcare organizations are not willing to take on such a financial risk without clear data to support their decision. Providing care organizations with financial comfort to learn and get acquainted with this new type of models is key. Also, to have enough time to scale down or reallocate resources which is sometimes needed.

Various options were posed during the working session that you can think of to provide healthcare organizations with financial comfort:

a. Move towards agreements that span multiple years. This saves negotiation time (and money), it reduces uncertainty for both parties and more room to include financial support for transition and reaching more long-term objectives.
b. Introduce a 'listening fee' (in Dutch: kijk- en luistergeld). A frequently heard issue of healthcare professionals is they have limited time with patients hampering shared decision making, patient outcomes and -experience and possibly more. By introducing a fee that doctors/nurses can spend more time on their conversation with patients, this could potentially be a multiplier for providing more value to patients.
c. Agree on an innovation budget (preferably spanning multiple years) tied to a few focused projects.

6. Mobilize citizens by transparently showing outcomes achieved to our society

To really change and putting patient value at the center of our healthcare system it is sometimes needed to breach a stalemate or challenge the status quo by making bold moves. Enforcement of transparent reporting of patient outcomes to our society can put patient value at the center of the discussion again. By making patient outcomes transparent and publicly available, this can result in a roar of citizens towards HIC and HCO on ensuring patient outcomes making it an inescapable element in contract negotiations.

Key accelerators towards paying for value

7. Stimulate collaboration within the region/network

Integration of care is key to ensure optimal coordination and collaboration within the entire care chain. An increasing focus is observed on translocation of care to the right place at the right time. To further stimulate this transition, providing care closer to home if safe and possible while providing care in the (academic) hospital if needed, a good network of partners within the region should be stimulated. Therefore, it was recommended to include elements within contracts that incentivize care organizations to further extend their relations with other care providers within the region, but also with suppliers to healthcare to create more of a small health ecosystem. And also to stimulate integration of care by using new and improved technology and care models.

In line with other accelerators this can be stimulated by f.i. including specific KPIs or providing financial room within an agreement. Also, it is highly recommended to start to truly collaborate with partners by making an integral agreement with health insurers, including multiple care providing organizations. In order to do so, we should avoid complexity and truly focus on ensuring collaboration by starting with a small scope like an episode of care that can be captured within a bundled payment type of agreement.

8. Autocracy on data infrastructure and sharing of data

One of the most prominent hurdles in our healthcare system and for the adoption of value-based healthcare is the amount, quality & availability of outcome data. As outcome data is key to move towards value-based healthcare it is an absolute prerequisite to ensure proper data capture and optimal transferability of data. The timing and application of the GDPR (in Dutch: AVG) in 2018 have probably made data and data infrastructure an even bigger concern and harder to tackle.

During the working session, data infrastructure and transferability was frequently mentioned as one of the most dominant barriers for VBHC adoption and paying for outcomes and identified as core priority. Therefore, it was hinted that more thorough central approach to move forward was needed: “a mild dictatorship” on data. Enforcement would probably not be perfect, but progress is needed as data infrastructure is one of the weakest link with regards to VBHC adoption and usage of outcomes, also in alternative reimbursement contracts.

Key accelerators towards paying for value

9. Connect with the government to remove barriers and stimulate education

In the discussion the two perspectives (national and local/regional level) were discussed separately. Naturally, it is key to stimulate collaboration and alignment between these two perspectives. Barriers that are observed and felt on a local/regional level should be communicated with policy makers on national level to enable them to facilitate and help to remove these barriers. Besides the request for an improved data infrastructure, education was also mentioned frequently as one of the key levers to move towards a sustainable healthcare transformation in the long run. Education on VBHC is needed to ensure patients and the outcomes they value are used as starting point to both organize care in a better way and stimulate a shared responsibility in providing the best quality of care. More specifically educate and inform professionals on: the fundamental challenges of shortage of nurses, empowering patients and family to take care of health, needed reduction of admin burdens, need for lower costs per patient cycles, equal and growing access to care.

10. There is no one size fits all: Search for fit between payment model and type of care

The last accelerator that came out of the discussion is more a general remark that we should realize when moving to other reimbursement models. There is no single alternative reimbursement that will fit for all types of care. It is plausible that e.g. different types of care (preventive, acute, elective, chronic etc.), volume of demand for the type of care and indication area will require different reimbursement models to achieve the highest patient value. This also means try to avoid exclusion of complex care, rationing and avoidance of difficult patient groups.

It is crucial to assess which type of reimbursement (e.g. Fee for Service, Pay-for-performance, (episodic) bundles, capitation) fits best and provides the best incentives to achieve maximal value. We should incorporate different payment models in contract for different stratifications of patients. As mentioned in accelerator one, a reimbursement agreement is a mean to achieving optimal value, not a goal in itself.

Next Steps

In May 10 2023* we will organize a Working Session and look at the Value Agenda of the Netherlands. We will be focusing on one or two topics that are gaining traction and need focus. If you would like to attend, to provide your input (e.g. challenges or hurdles to overcome) and/or would like more information on previous or coming Working Sessions, please contact Mirte van Holsteijn at m.vholsteijn@thedecisiongroup.nl.

Also, make sure you follow our media channels below to stay up to date on the latest information on the Working Session and VBHC news.

1. **De Value Agenda NL LinkedIn Group**
2. **Website The Decision Group**
3. **Website Value-Based Health Care Center Europe**
4. **Website Value-Based Health Care Prize**

Finally, in our collaborative journey of continuously maximizing patient value, please act upon this Value Agenda. Getting payment in line with value creation will be a true game changer in healthcare. It will unlock a wealth of innovative ideas to improve outcomes that matter to patients and create an execution climate by breaking down implementation barriers.

** Date subject to change*

Partner perspective

An aging population, increasing number of patients with a chronic condition, increasing labor shortages and growing number innovative therapies & technologies. If nothing changes, a serious health care crisis is inevitable. We must ensure that healthcare remains affordable without compromising on quality. Transforming healthcare into value-based healthcare is necessary. Eliminating inefficiencies to allow caregivers to focus on what really matters: appropriate care for the right patient. The end goal should be to continuously improve the outcomes that really matter to the patient while optimizing costs.

This years' Working Session was co-created by three organizations that are highly motivated to help move the needle on outcome-based healthcare.

The Decision Group & the Value Agenda NL

The Value Agenda for the Netherlands has become more important over the years. It is applied both nationally and internationally, with the potential to decrease health care costs whilst enhancing the quality of care. As we are approaching the next phase of VBHC, in which the questions and challenges become more complex and demanding, the call for collaboration increases. Therefore, at The Decision Group, we feel the tradition of having a group of key people across the Dutch Health Care landscape work on actions each year, will help strengthen the positive VBHC implementation climate.

The Decision Group has been a leader in VBHC implementation in Europe since 2008. We build upon our experience and continuously develop our approach in light of the latest insights. Over the years, The Decision Group collaborated in over 150 unique VBHC implementation projects. Bringing together the VBHC implementation success stories and leaders in Dutch Healthcare is what makes the Value Agenda NL such a valuable initiative.

Amgen & the Value Agenda NL

At Amgen, we strive for the best outcomes for patients in a system of outcome based healthcare. Eventually we also wanted to be rewarded for the (delta)outcomes we achieve through our innovative medicines and integrated solutions. The Working Sessions - and the Value Agenda NL as a result - will bring us year-by-year closer towards an outcome based health care system. Sharing best practices, valuable discussions on what is needed and who takes which role are essential to take the next steps.

Awell & the Value Agenda NL

We are pleased to partner with Amgen and The Decision Group. Together we are at the forefront of the development and implementation of value-driven care. Together we have the ambition to transform healthcare and offer solutions to secure the future of healthcare. Our digital care pathways improve patient outcomes, increase efficiency and ensure that organizations continuously optimize their processes. Our goal is to make healthcare effective, quality, affordable and accessible to everyone. Both intramural and transmural. Now, and in the future.

#ValueAgendaNL

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