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Four Steps Within Your Stride: Surprising Insights from Implementing Value-Based Care Delivery



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Around the world, value-based care delivery is gaining adherents (New Zealand Ministry of Health 2016; King's Health Partners 2016). Improving value—health outcomes that matter to patients for the cost of delivering those outcomes—is now widely recognised as a critical objective of health care reform. Since the publication of *Redefining health care* (Porter and Teisberg 2006), the concept of value has gone from being criticised as “a utopian vision” (Reinhardt 2006) to being viewed by leaders as a strategic priority.

How do organisations redefine care to dramatically improve value for patients? In nearly a decade implementing value-based care worldwide, we have found that when leaders set the compass—establishing value for patients as the unequivocal goal—they create a powerful cultural shift, inspiring care teams and renewing the professional calling of those in health and healing. But what happens next? Inspirational objectives inevitably lead to the question of “How?” We’ve observed four steps that organisations seeking to redefine care delivery work through, albeit in varying orders, at different paces and to different degrees. Taking these “steps within your stride” transforms an organisation in the direction of higher value services for patients without heroic leaps.

Step One: Measure Results

The adage that what isn't measured won't improve is widely accepted. That makes medicine's dearth of systematic outcomes measures unusual, possibly even unique. Its oddity is compounded by the mandated reporting of long lists of process and input measures (Teisberg and Wallace 2015a). Although clinicians routinely ask patients how they are feeling, learning from feedback about patients' results is slowed by failing to systematically collect outcome data. The presumption becomes that patients who say thank you must have good results, though they may simply have good manners.

While anecdotal reporting of results slows learning, systematically collecting outcome data enables insights that have dramatic implications for care delivery. In fact, many value-based care transformation projects begin when a clinician starts measuring a discrete, meaningful set of outcomes (Teisberg and Wallace 2015b; ICOHM 2015). One striking example comes from our work with an administrator, who started his value journey by measuring the mortality rate of serious trauma patients brought to his rural urgent care centre to be stabilised before being transported to a trauma centre about an hour away. Approximately 90 percent of those patients died, compared to about 40 percent of the people taken directly to the trauma centre. That simple, shocking measurement drove an immediate change in practice and a quest to dramatically improve care for his organisation's patients.

Measurement-enabled insights commonly surprise in two ways. First, outcomes unmask faulty assumptions. In the trauma case, patients' results didn't match clinicians' assumption that stabilising patients increased their chances of survival. Actual results about transported patients were not known. Second, outcomes measurement supports professionalism. When they know their patients' results have improved, clinicians usually

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experience unexpected professional pride and satisfaction. Not surprisingly, one meaningful measurement effort often leads to the next.

Step Two: Document Care Paths

Most care delivery organisations presume that they follow consistent care delivery processes for patients with the same medical circumstances. Often, however, very similar patients are treated vastly differently without a medically-based justification (Wennberg 2002). In practice, many models of care exist for any given set of patient circumstances (Dartmouth Atlas of Health Care 2017), though most organisations are surprised by their lack of shared norms.

Understanding how care is actually delivered to your patients is a critical step within your stride toward value-based care delivery. The goal is to create a shared understanding by identifying and discussing how your organisation cares for patients with medical and social circumstances you frequently encounter.

Identifying care paths exposes discrepancies in care, uncovers redundancies and leads to debate about improving practices. Like faulty care assumptions, waste and redundancy are often surprises; these activities would have been previously addressed if they'd been obvious before the explicit discussion of care paths. Care path identification also enables analysis of costs and reveals ways to reduce them. Beyond internal analysis, care path identification facilitates comparison to other organisations' good practices to inform ongoing improvement.

Care path identification can be challenging because of discomfort about standardisation. A care path for a medical condition should be a reality check, not a straitjacket. Professional judgment can and should still be applied and variations can then be analysed to drive learning and improvement. Intermountain Health Care's Dr. Brent James, an early pioneer in documenting care paths, advocates permitting clinicians to vary from the standard path as long as they measure and report patient outcomes. Identifying differences and determining which paths improve patient outcomes fuels innovation (James 2014).

Step Three: Create Teams

The essence of value-based care delivery is a team that integrates delivery across the full cycle of care, or an integrated practice unit (Porter and Teisberg 2006). The team works together, shares patients, learns together and drives improvement in its patients' outcomes. Before most organisations can implement integrated practices, they need to establish teams.

Clinicians often describe themselves as members of teams and are surprised to realise they really work within groups that lack the key characteristics of teams. Teams share specific objectives of their work, trust one another, communicate consistently and effectively, and measure results together (Osarogiagbon et al. 2016). Building teams that learn together improves professional engagement by focusing on working together toward meaningful goals. This potent antidote to burnout is a very welcome surprise.

Teams that function well together quickly reach the issue of sharing payment, making bundled pricing of services a challenging but natural step rather than a daunting leap. Some services or activities that aren't directly reimbursed can improve patients' outcomes and lever clinicians' time. Bundled payments enable teams to incorporate these previously uncompensated (and previously precluded) activities by providing the team greater flexibility in allocating care resources. In many cases, the extra services are delivered most effectively and efficiently by a non-traditional caregiver such as a coach or patient-accompanier.

Step Four: Engage in Human-Centered Design

Most healthcare services are organised around providers and their training, rather than around the needs of patients. While each patient is unique, those with Type 2 diabetes, for example, have relatively predictable needs and typically require a collection of services from endocrinology, cardiology, podiatry, and retinal care, to name just a few specialties. Typically, patients bear the burden of organising and coordinating the many dimensions of their care. If the fast food sector followed healthcare's structure, lunch might require visits to three separate restaurants to get a burger, fries and a drink.

Leading care delivery innovators recognise that making care dramatically more effective requires restructuring services to be more convenient and efficient for patients. Often efforts intended to make care more patient-centric are well underway before surprised team members slap their foreheads as they recognise the need for patient perspectives on what happens outside of the clinical environment.

Both the Carolinas Health Care System and Dell

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Medical School have established teams of human-centred design experts to understand the patient perspective directly, identifying and addressing the unmet needs, obstacles to health and gaps in care that negatively impact patients' health in a given condition. Efforts led by clinical teams are then informed by insight about the patient experience outside of the embrace of medical care, which is a critical factor to improving health outcomes.

Start Stepping

The early steps on any journey depend on the starting point. Consider your organisation's strengths and start with the step that best uses those advantages. Not surprisingly, starting from strength enables early wins, and success energises momentum.

Key Points

- Implementing value-based care delivery requires senior leadership commitment to creating value for patients
- Improving value hinges on measuring outcomes that matter most to patients.
- Documenting care paths establishes best practices and uncovers variation.
- Teams that integrate delivery across the full cycle of care and learn together are the essence of value-based care delivery.
- Care redefinition has to focus on solutions for needs as patients experience them.

Elizabeth Teisberg is co-creator of the idea of value-based health care strategy and an internationally recognised author and professor. She currently serves as Dell Medical School's Executive Director of the Value Institute for Health and Care. Awards include the Wachovia Award for outstanding research, the Frederick S. Morton Award for Leadership, and the Book of the Year Award from the American College of Health Care Executives. She was previously on the faculty of the Dartmouth College Geisel School of Medicine, the University of Virginia Graduate School of Business and Harvard Business School. She earned an M.S. and a Ph.D. from the Stanford University School of Engineering. She also holds a Master of Engineering degree from the University of Virginia and an A.B. degree, summa cum laude, from Washington University in St. Louis.

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