

# Value-Based Healthcare

Working together to achieve more sustainability and transparency in the healthcare system

**Value-Based Healthcare (VBHC) is the key to a sustainable healthcare system. Roche Diagnostics, Roche Pharma, Johnson & Johnson Medical Devices, and Janssen Switzerland are convinced of this. We have gained a wide range of experience implementing the concept via several pilot projects. Now, we want to further contribute to the promotion and implementation of VBHC across Switzerland, thus guaranteeing long-term stability for the healthcare system as a whole. This will require strong partnerships with stakeholders from all areas of healthcare. Are you with us?**

The desire to deliver comprehensive healthcare for all means that demand for medical services will continue to increase. However, financial and human resources are limited. Due to enormous cost pressures, the price of medical services is usually a focus for service providers. However, for the system as well as for the patients, it would be more sensible to focus on the measurable quality of processes and outcomes which can then in turn be promoted through financial incentives. That's precisely what VBHC aims to achieve. The concept of value-based care is well suited to finding the optimal compromise between objective value of treatment options and the necessary resources required.

We have already successfully implemented VBHC in numerous scalable projects across a wide range of disciplines and can prove the value – both for individual patients and professionals, as well as for health service providers and the system as a whole. For example, patients can be discharged from hospitals earlier while the rate of infections continues to decline. Service providers benefit from more efficient procedures, automated processes and cost savings. In short: value-based healthcare adds value to the entire system.

## Practical examples

### Fewer re-interventions for atrial fibrillation

Cardiovascular diseases are the third most common reason for hospitalizations in Switzerland. These diseases also include cardiac arrhythmias such as atrial fibrillation. This can usually be controlled using invasive treatment.

However, additional treatment steps are typically needed. Around 35 percent of patients require re-intervention within one year. This not only leads to additional costs, but also creates a burden for those affected.

Johnson & Johnson Medical Devices has developed a product to reduce the re-intervention rate. This digital solution was implemented in a private hospital in combination with a comprehensive efficiency program to deliver meaningful improvements.

Evaluation after one year shows: Less than 10 percent of patients require a re-intervention. Therefore, on average, one additional patient could be treated per day using existing infrastructure. This not only improved the treatment outcome, but also resulted in lower overall costs.

## Improve patient value and resource utilization in the case of lung cancer

In a joint project, University Hospital Basel (USB) and Roche examined the patient value and efficient use of resources in lung cancer cases. From the patient's point of view, the project compares the treatment outcome (measured in Patient-Reported Outcome Measures (PROM) with the cost expenditure required over the treatment cycle. This approach illustrates the comprehensive value of the entire treatment by directly linking PROM data collected throughout the patient's journey.

The project partners analyzed the anonymized data to gain insights into how treatment approaches can be individually tailored to each patient. The result of this research has provided insight to arrive at important conclusions for personalized diagnosis and therapy options. At the same time, by developing a better understanding of individual patient benefits, we can deliver innovative remuneration models that place greater emphasis on the effectiveness of treatments from the patient's perspective.

## Findings from our projects

- VBHC projects often arise out of close cooperation between different stakeholders. A successful partnership requires trust, but also a uniform definition of VBHC and clear understanding of the roles of individual stakeholders.
- Optimization potential often exists at the interfaces between departments and sectors. It is therefore crucial to look at the entire patient pathway. Multidisciplinary teams are needed to work together on delivering such improvements.
- Only a few hospitals collect data on value for patients, quality, and effective costs. This means that there is still significant potential for openly discussing success parameters and defining meaningful, easily measurable indicators, together.
- Electronic data collection is an important cornerstone for VBHC. It is therefore even more important to promote the digital transformation of healthcare and to align incentives accordingly. This is the only way to support patients holistically and generate value.
- For successful implementation, all stakeholders must be willing to work closely and openly together with the belief and conviction that VBHC is the future for affordable patient-focused healthcare in Switzerland.

## We are ready

At Roche Diagnostics, Roche Pharma, Johnson & Johnson Medical Devices, and Janssen Switzerland, we believe that VBHC is the right way to drive meaningfully the development of the Swiss healthcare industry, shifting away from the current spiral of ever-increasing cost-pressures, towards a more transparent system focused on three critical characteristics: 1) Improvements focused on the well-being of patients, 2) Efficiency potential considered across sector boundaries, and 3) Quality made measurable and sustainable.

The principles of VBHC are already firmly anchored in our companies today. As established stakeholders in the healthcare industry, we consider ourselves responsible for helping to shape the further development of this concept as well as to learn from other partners and countries. For us, this also includes adapting the global VBHC concept to address local conditions in the Swiss healthcare system. VBHC is still at its beginning. Although the principles are slowly becoming more well-known, only a few institutions are taking an active role in their implementation. In cooperation with other stakeholders, we want to make our contribution to actively promote further dissemination of these principles and to aid in their execution.

We consistently use our experience and expertise to sustainably and successfully establish value-based remuneration for medical services and diagnostics in Switzerland. In order to advance the topic within the healthcare system and also at the political level, we are ready to share our findings from various implementations across Switzerland and other markets – in specific projects, but also political committees such as the Federal Quality Commission. As global companies, we can contribute our global experience for the benefit of all.

*"We want to work on the implementation of VBHC together with all stakeholders in the Swiss healthcare sector. Our goal is to maximize patient outcomes at affordable costs through iterative learning, innovative and integrated technologies, and diagnostic and therapeutic solutions."*

Timo Niskanen

## Are you with us?

In order to firmly anchor VBHC in Switzerland, additional stakeholders are needed to jointly advance the topic. As an industry partner, we see ourselves as the responsible parties to start this dialogue and to provide a link between individual stakeholders in the system. We are committed to strong and trusting partnerships so that the necessary changes can be initiated.

Are you with us? We look forward to working with you!

*"With VBHC, we can work together to build a sustainable healthcare system that values high quality and diverts the existing overall cost pressure to addressing inefficiencies along the entire patient pathway."*

Roman Iselin

## What we are committed to

- We advocate value-based remuneration for medical services. It is important that both service providers and patients participate and benefit from the savings achieved for the system as a whole.
- We are committed to digital transformation because it is the basic requirement for VBHC to work effectively. Only in this way can relevant data be more efficiently collected and standardized, treatment outcomes made transparent, and the healthcare system continuously improved.
- As an industry partner, we contribute many insights from our years of experience in not only the Swiss market, but global markets. We would like to use this strong foundation to further promote the topic of VBHC with you as a partner.



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