VALUE-BASED REPORTING AND MANAGEMENT

- Led by King's College Hospital NHS Foundation Trust, partnered by Guy's and St Thomas' NHS Foundation Trust, and South London and Maudsley NHS Foundation Trust.
- Based at King's College Hospital in three services: cardiac, liver and stroke.

INTRODUCTION

Improvement projects in the NHS often focus more on process targets and financial measures than on care outcomes. A team at King's College Hospital NHS Foundation Trust has developed a system that uses 'value' – health outcomes divided by cost – as the key performance metric.

The main components of the project were the development of a new method of value data capture, a set of value-based reporting tools and a value-based management system.

The approach enabled access to data that are more meaningful and comparable, less at risk of distortion, and could account more effectively for clinical and patient-specified outcomes.

WHY DID THEY DO THIS PROJECT?

The NHS faces great pressures to save money, change models of care, restructure systems and join up the services it provides. However, at present, the focus is often on short-term process and financial targets rather than care outcomes. This doesn't always achieve the best care for patients, doesn't necessarily engage clinicians and can create organisational confusion around targets.

In 2012, a group of staff from King's College Hospital NHS Foundation Trust went to hear a Harvard Professor, Michael Porter, speak about how health services should measure and report the holistic 'value' – defined as health outcomes divided by cost – of what they do, rather than focusing on standalone process, financial and quality targets. His belief is that this is a more useful indicator of how well health systems are doing their job.

Through the Shared Purpose programme, the project team aimed to put the theory of value in health care into practice. They wanted to use value as the key performance metric to:

- show that value is a better unifying concept than segregated data
- test emerging theories about value in health care and show it can be operationalised
- deliver service improvements that matter to patients.

WHAT DID THEY DO?

The team's central proposition was that management based on value – the outcomes for patients delivered for each pound spent – drives faster, better innovation and unites the interests of payers, providers and patients.

Making value meaningful to clinical teams meant monitoring costs and outcomes across a pathway and reporting them cohesively. It meant creating a data system that everyone was interested in – clinicians, managers and patients – and involving everyone in a discussion about how the system could work better.

The first stages of the project involved prioritising those clinical outcomes that were the best overall indicators of success, and identifying a set of outcomes that mattered to patients. Evidence was gathered from evidence reviews, surveys and patient focus groups, and sources of data were identified.

Hepatitis, endocarditis and stroke were established as those areas upon which to initially focus. Outcome measures were developed for all three conditions, along with cost data analysis following the whole care pathway. Activity and value stream maps for each condition were also drawn up to understand how patients flow through the system.

The value-based reporting tools included easy-to-read graphical and tabular information for all providers and commissioners, and changing from department-based cost centres to longitudinal calculations of total cost from all sources along the condition pathway.

The value-based management system provided reporting tools and a framework that enabled multidisciplinary teams to optimise team performance and accountability, and identify innovation opportunities.

WHAT IMPACT DID THEY SEE?

The project has enabled remarkably effective collaborations between finance, management and clinicians. Each professional group has developed knowledge and appreciation of others through the work. Clinicians have reported a greatly enhanced appreciation for the cost implications of clinical activities, and the finance team have reported having a greater understanding of the actual processes that they are costing.

The patient engagement process influenced all teams to develop a better understanding, not only of their service, but of who their patients are and how best to communicate with them.

Work with the clinical teams in the three specific service areas has had significant impact. For example, reporting on the endocarditis cohort of patients allowed the teams to gain a quantitative

understanding of how their service behaves, to complement the qualitative information from patients, and monitor the impact of service changes.

The establishment of a permanent endocarditis team allowed a new focus on understanding the condition. The consistent collection of data and the regular multidisciplinary team meetings will continue beyond the life of the project and will provide the basis for ongoing service monitoring and research publications. Recent focus groups suggested that the quality of care and information provided to patients treated by the endocarditis team exceeded other areas.

Financial analysis of the project indicates that it is expected to cover its costs by the end of 2016, and deliver a 37% return on investment over five years.

WHAT DID THEY LEARN?

Collaboration and patience

The initial project concept was subsequently explored by the clinical teams so that they could understand it for themselves. This meant revising some of the plans in a process of co-creation. Although this took patience and time, it was an essential building block for trust and collaboration.

It took a long time to identify measures and costs, to collect and process data, to produce dashboards, and to start improvement dialogue and cycles of action. It is a complex process and took a lot of expert data knowledge and creativity. The clinical teams had a tendency to become impatient for the outputs, and this stage did take longer than had been expected.

Adding value

The value metrics that were developed through the project drove improvement by providing evidence from which to hypothesise and investigate potential improvements. These were often improvements that teams were not even talking about before. The model produced the type of dialogue and action that was envisaged at the start of the project.

Importance of historical data

There is a tendency to disregard imperfect data, but this project offers the opportunity to understand and improve data quality through clinical input and analysis. The default position should not be to dismiss historical data and solely concentrate on improving data collection.

WHAT ADVICE WOULD THEY GIVE TO OTHERS?

Forge understanding amongst others

When the concept is introduced to new teams, project leads must be prepared for the fact that the teams themselves will need to explore and make sense of it in their own way.

Ensure access to data and data expertise

Establishing good access to all trust systems and maintaining good relationships with data processing teams is essential, as is having a data expert who is familiar with systems, data processing, information presentation and the interpersonal skills and persistence to work with, through and around entrenched data silos.

Enable understanding of key concepts

The data and how they are used are significantly different under the value proposition to the normal use of data in the NHS. Workshop sessions guided by data and improvement experts can accelerate progress and understanding.

Understand how data are presented in different ways

Improvement data are different in both intent and presentation to performance or reporting data. Teams need to understand why data are presented as they are and how to act on this to move towards identifying opportunities for improvement (without improvement expertise, there is a tendency to feed intrigue with more data).

Pay attention to teambuilding

It is important to pay close attention from the start to how relationships are working, to teambuilding, to the needs and skills of individuals, to group dynamics, and to succession planning as individuals leave and join the project.