

Accelerate Value-Based Care

Drive innovation, quality, and accountability in health care

The United States health care system is dependent on a volume-over-value approach, rooted in a Fee-For-Service (FFS) payment system that compensates physicians, hospitals, manufacturers, and other health care providers for each service, test, drug, and device delivered. Rewarding excellence in health care delivery based on patient outcomes has been proven to reduce health care costs, improve quality, and enhance the patient experience.

In 2017, only 34 percent of total U.S. health care payments were tied to value-based payment models, including Accountable Care Organizations (ACOs), shared savings models, bundled payments, and population-based payments.

Solutions to accelerate value-based care to improve quality, reduce total health care costs, and enhance the beneficiary experience should:

Support Innovative Value-Based Care Models

- Encourage value-based payment such as bundled payments, gain-sharing, risk-sharing, and capitation for all providers to support high-quality care in the appropriate setting.
- Enable medical groups, hospitals, skilled nursing facilities (SNFs), urgent care clinics, Ambulatory Surgery Centers (ASCs), and labs to be held accountable for the total cost and quality of care.
- Implement value-based pricing for devices over a multi-year period based on their quality, outcomes, and affordability relative to existing products.
- Enable providers to holistically manage and reduce the total cost of care for beneficiaries by:
 - Mandating beneficiaries have designated primary care providers;
 - Promoting shared best practices and facilitating provider collaboration across clinical specialties to address gaps in care and reduce duplicative medical interventions and testing;
 - Supporting providers and patients with data and information to develop personalized care management recommendations and a comprehensive patient profile; and
 - Leveraging a rigorous quality evaluation process.

Promote High-Value Sites of Care

- Encourage States to develop and enforce standards for free-standing emergency departments, dialysis centers, and substance abuse clinics to protect consumers and prevent abuse.
- Allow Medicare FFS beneficiaries to receive personalized care coordination services in a SNF to improve the quality of care and reduce hospital admissions and overall health care costs.
- Implement a Medicare value-based bundled payment model that improves quality and reduces costs for total joint replacement in ASCs.
- Enable Medicare and Medicaid beneficiaries to stay in the home by enabling and funding care coordination and telemedicine to manage chronic disease and address acute conditions.



Value-based payment is expected to account for a 59% decrease
in health care payments by 2020



Nearly 50%
of Medicare Advantage payments are tied to risk-based arrangements



Up to 7.5% in savings
from bundled payments programs