Measuring High-Value Care Pre and Post COVID-19

Policy analysts at one of the PhRMA Foundation’s four Centers of Excellence in Value Assessment recently published a paper that offers new insights into the measurement of value in an era in which the delivery of health care services has been significantly impacted by COVID-19.

In their paper, titled “Measuring High-Value Care Pre and Post COVID-19,” authors George Miller, PhD; Paul Hughes-Cromwick, MA; and Beth Beaudin-Seiler, PhD, note that there is a need for improved metrics and methods to accurately measure high-value clinical care utilization and spending, and suggest that a new approach to value assessment should be explored that focuses on three key steps:

- Identify classes of services that require refined metrics to determine whether they have high value.
- Design metrics and methods for measuring the high-value use of each class of service using claims data.
- Implement and test these metrics and methods with available claims data.

The three authors, who are affiliated with the Research Consortium for Health Care Value Assessment, a partnership between Altarum and VBID Health that is funded by the PhRMA Foundation, assert that these methods could be used to investigate current shifts in the provision of high-value care brought about by the COVID-19 pandemic.

According to the authors, low-value care -- health services that provide no or minimal benefit to a patient -- is a major driver of inefficiency in the health care sector and a mostly untapped opportunity to increase quality and reduce spending. Inefficient spending drives up costs and can negatively impact patient outcomes, consuming resources that could be redirected towards both underutilized routine care and underutilized innovative care that offers higher value.

“Reducing low-value care creates the ‘headroom’ for additional spending on high value services,” they write. “However, a thorough assessment of value requires understanding not only the extent to which efforts to reduce low-value care are succeeding, but also to what extent the resulting headroom is being used or should be used in the future to increase high-value care.”

Unfortunately, there is substantial evidence that high-value clinical services have historically been underutilized within the U.S., according to the authors -- who say that the onset of the COVID-19 pandemic brought about an unprecedented decline followed by a
gradual recovery in the delivery of health care in the U.S., with a decrease in the provision of both low-value and high-value clinical services.

Some researchers argue that this shift in care patterns presents an opportunity to improve the efficiency of the health care delivery system by investing more in high-value services while deterring an increase in low-value care.

“An ability to systematically measure the extent to which high-value services are being appropriately delivered and which are underutilized would help identify more precisely the nature of the problem and motivate providers, payers, patients, and government entities to increase the delivery of high-value care post pandemic,” the authors write.

While it is relatively straightforward to measure the overall utilization and expenditures for medical services deemed to be of high value using administrative claims data, according to the authors, this approach neglects several factors that, for many services, affect whether increased utilization truly reflects an increase in the use of high-value services.

Many services have high value only for some patients (e.g., breast cancer screening only for women within a specific age range). The use of some services can vary with disease prevalence (e.g., many chronic disease treatments), making it difficult to ascertain to what extent a change in utilization is driven by a change in prevalence rather than a change in intensity of use.

Implementation and use of a new value-measuring methodology would allow a variety of participants in the health care system to increase the use of high-value care services, according to the authors. State Medicaid programs, for example, could apply the methodology to Medicaid data to identify underutilization of high-value services and develop incentives or future adjustments to per-capita funding formulas, including establishment of benchmarks or targets. A health care provider or system could apply the methodology to identify priority areas for increasing high-value care by clinical area, specific measure, site of care, or other dimensions, using claims data and other automated data including possibly electronic medical record data. Large employers, insurers and others could also benefit.

The authors conclude that the metrics and methods they advocate could also be used by researchers to “further develop our understanding of high-value care utilization and the impact of the pandemic on that use.”

“Feedback from such research could be used by providers, payers, policy makers, and patients to support increased use of high-value care for services that are historically or currently underutilized, both during the pandemic and after it is brought under control,” they write.

To read the full concept paper, please click here.

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