

## TITLE: KSA Value-Based Payment Models Journey: Design to Implementation

### Introduction

The Kingdom of Saudi Arabia (KSA) is implementing a **comprehensive transformation** of its public healthcare system to establish an **integrated, beneficiary-centered, value-based model** that provides **health coverage to 20 million beneficiaries**. Supported by a **USD 50–60 billion budget**, this transformation aims **to deliver value and ensure financial sustainability** in the public health sector. There are two aspects of this transformation: structural change in healthcare provision, purchase and delivery, and financial transformation with the move towards value-based payment models

### Methods

The session will provide an in-depth understanding of structural changes and the transition from traditional input-based budgeting to value-based budgeting models, with risk-adjusted capitation (RAC) as the primary payment model for accountable care organisations (ACOs) and the reasoning behind selecting this payment model. It will cover the requirements to successfully achieve this transformation, including:

- Data governance and infrastructure
- Capabilities in terms of clinical coding, clinical costing and actuaries to drive funding calculations based on the chosen payment model
- Performance monitoring, reporting, and risk management framework to ensure transparency, accountability and financial sustainability.

### Results

A phased approach to implement these changes will be illustrated to move the public health sector to the target value-based model state.

### Discussion/conclusions

This transformation is expected to improve population health outcomes and financial sustainability through

- Estimating healthcare budgets are linked to healthcare needs and outcomes.
- Identifying, quantifying and closing efficiency gaps.
- Enhanced provider autonomy and accountability, linking payments to drive performance metrics and care outcomes.