

From Patient-level Costing to Value-based Healthcare: International Learnings and Montreal Jewish General Hospital Experience

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Introduction

The implementation of patient-level costing across the continuum of care is fundamental to any hope of changing the current management paradigms of the public healthcare system. The use of results allows for greater transparency in resource allocation and improvements in the organization of care and services. Such costing efforts lay the foundation needed for the assessment of care pathways and outcomes measurement, which in turn enable value analysis. After presenting some international learnings from PROM implementations, the vision and experience of the Montreal Jewish General Hospital will be discussed.

Methods



Figure 1 — Overview of value-based healthcare¹

To start this journey towards value-based healthcare management, it is paramount for any health facility to know the costs of their activities, services and episodes of care. It is also essential to consider the different care pathways across the continuum of services, in the community, on the front line or in hospital and post-hospital settings.

The Montreal Jewish General Hospital was part of the Quebec provincial implementation of a healthcare costing solution in 2017–2018. Since then, the facility built an interesting database of costing data covering several years, data that is now linked to form care pathways. This allows them to gain an excellent understanding of the cost factor at the denominator of the equation in Figure 1.

By themselves, the care pathway and clinical practice variability analysis available through patient-level costing already offer system improvement possibilities.

¹ **Implementation plan for value-based healthcare in NSW WC and CTP schemes ([website](#))**



Figure 2 - international PROMs deployments

The next step to go further is to measure health outcomes for patients across different care pathways. Building on the various international experiences and initiatives, the Jewish General Hospital implements a PROMs collection process for some targeted care pathways. The outcome factor at the numerator of the equation in Figure 1 then becomes visible. From a strict clinical point of view, the various questionnaires offered to patients are already vectors of change among clinicians. They drive the adjustment of treatment plans, allowing a better connection between needs and services.

The combination of the two factors (costs and outcomes) in a coherent, relevant and revealing business intelligence system allows the organization to move to higher levels of analysis in the orchestration of their care and services and to access the concept of value.

Results

Far from being purely financial initiatives, the case costing and outcome measurements implementations include a wide variety of clinical data, creating a rich source of integrated information about quality of care and patient experience and results. The resulting information is then used to understand patients' clinical outcomes, support the implementation of integrated practice units and provide medical leadership with the tools and metrics to foster best practices and evaluate care variability, all of which act as the keystones to value-based healthcare.

These elements complement the analysis of care pathways and allow clinicians to become aware of the financial impacts of their practice.

The Jewish General Hospital is already demonstrating objective results to clinicians and managers and is doing so with a sound change management approach.

Conclusions

This presentation, from an establishment perspective, aims to demonstrate that case costing implementation, when incorporating a wide variety of clinical sources about the whole population and all health missions and outcomes measurement implementation, provide a wealth of information about quality of care and patient outcomes that can inform managers and clinicians to promote better decision making.

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