

avenir debate

## **“Mehr Mehrwert im Gesundheitswesen”**

**Für einen Qualitäts- statt Kostenwettbewerb**

**(More value in healthcare. A call for competition on quality rather than cost)**

**What's next in healthcare policy? Is it possible to reduce costs while at the same time expanding healthcare services? Answering this question means being able to measure and compare the quality of services. There's also a need for funding mechanisms that work in favor of all those who invest in the quality of treatment. This will reduce misaligned incentives, help patients, and consolidate the healthcare system at a high level.**

Health is something that concerns people, so it concerns politicians as well. At the federal level alone, more than 500 items of parliamentary business, some of them contradictory, are submitted each year. But our healthcare system is a black box. While it's possible to precisely quantify health spending – CHF 86,344 billion in 2021 – the value of these services to patients and society is an unknown quantity. Without a paradigm shift to focus on the patient rather than on care providers, the further development of the healthcare system will come to nothing.

### **In the interests of patients and the entire system**

Quality is not only in the interest of patients; it also conserves (human) resources. It speeds up the healing process, minimizes complications, prevents overmedication, and reduces the number of unnecessary therapies. In a system funded collectively on the basis of solidarity, the use of resources has to be optimized. Aiming for quality along the entire patient treatment path is also an important differentiator for service providers seeking to win the favor of increasingly scarce personnel.

### **Quality has to pay off financially**

What's needed is a discussion about the “value” per franc invested that healthcare creates from the patient's point of view (value-based healthcare). This isn't something that can be implemented in a system organized in silos and dominated by regional politics. To improve treatment along the entire patient pathway, funding mechanisms are needed that allow the “quality dividend” to be shared among those who invest in improving treatment.

For this to happen, first of all a legal basis will have to be created to include quality-related components in hospital tariffs. Second, in outpatient care, alternative insurance models make it possible to reward coordination work and help avoid unnecessary hospital admissions. In 2021, 76% of people with health insurance had signed up for a model of this sort, compared with only 8% twenty years earlier. Third, uniform financing for outpatient and inpatient services would allow the quality dividends to be shared. At present, avoiding hospitalization is of no interest to health insurers, as they bear the full cost of outpatient treatments, while 55% of the costs of inpatient services are borne by the cantons.

## **Developed from the grassroots rather than decreed from the top**

A patient-centered, value-added healthcare system isn't something that can be decreed from the top down. It has to be evolved by those who practice it. With this in mind, the study by Diego Taboada and Jérôme Cosandey highlights pioneering pilot projects characterized by increased cooperation between care providers, insurers, and cantons – a kind of cultural revolution in an otherwise rigid healthcare system. But even though the Swiss market is bubbling with such innovative initiatives, the federal administration is trying to restrict competition by creating government-imposed, uniformly organized new providers. This federal proposal should be rejected.

To stimulate competition on quality, transparency is essential so that patients and referring physicians can choose the appropriate specialists based on facts. To encourage care providers to accept transparency, the authors recommend implementation in two phases: The first step requires access to quality data under the protection of anonymity. In this phase, each care provider should see only their data compared with those of their competitors, without being able to identify competitors by name. In the second phase, outcome metrics would be made available to patients, providers, and health insurers. The government should set a time frame for implementing such benchmarking.

## **Roadmap to a value-based healthcare system**

The new publication points the way toward a value-based healthcare system in three steps:

- 1) outcome indicators defined and measured;
- 2) financial mechanisms to reward added value for patients;
- 3) transparency around the quality and cost of care.

It will be crucial to develop a shared vision of a value-based healthcare system among providers, medical societies, patient advocacy groups, and insurers. This will reduce the risk of misaligned incentives, focus the interests of stakeholders on the common goal, and promote the flexibility and resilience of the Swiss healthcare system with a decentralized organization.

**avenir debate:** "Mehr Mehrwert im Gesundheitswesen – Für einen Qualitäts- statt Kostenwettbewerb" (More value in healthcare. A call for competition on quality rather than cost), Diego Taboada and Jérôme Cosandey, 80 pages, available online from 6.00am on 25 May 2023 at [www.avenir-suisse.ch](http://www.avenir-suisse.ch).

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