

Implementing High Value Care in Europe

Private payer Menzis

Context

A leading insurer in the Netherlands, Menzis covers approximately 13% of the population. Through its HVC strategy, Menzis offers Dutch providers bundled payment contracts based on outcome and cost measurements.



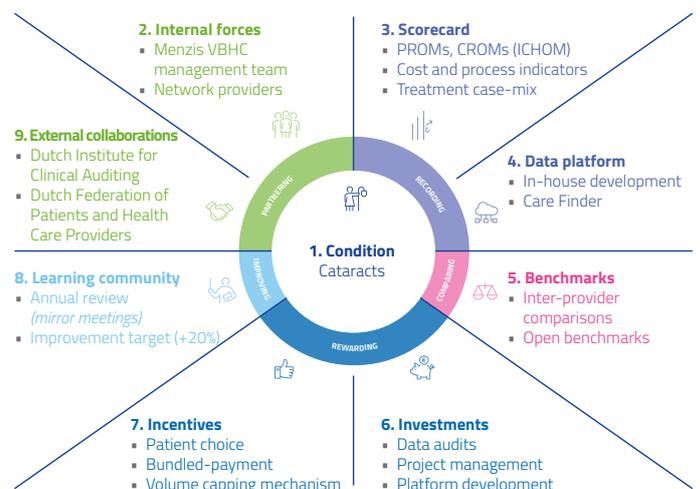
Achievements

Since the first value-based contracts with Santeon hospitals in 2017, Menzis has offered bundled payments for breast cancer, hip and knee replacement (HKR), cataract surgery, rheumatoid arthritis, cardiac failure,

depression and bariatric surgery. Bundled payment contracts are publicly available and can be downloaded via the Menzis portal¹. For each provider under a bundled agreement, outcome average scores are also public.

Implementation

Bundled prices combine base price per care unit (adjusted to patient case-mix), medical products used along the care pathway, and outcomes achieved. For HKR, the three year contract measures outcome indicators (e.g. infection, revision, PROMs) and costs (e.g. hospital days, treatment case mix). "We use ICHOM sets and quality standards from the Dutch Institute for Clinical Auditing (DICA). Were we to use other standards, health professionals would probably not adhere", asserts Dr. Wija Starting, Health Manager. For HKR, Menzis requires a minimum response rate of 60% for pre- and postoperative PROMs. For each condition, providers' annual performances are benchmarked during mirror meetings (see below) and published online with the support of the Dutch Federation of Patients and health care providers.



Benchmarks

Value achieved by each provider is compared during *mirror meetings* under the supervision of an independent third party. The purpose of *mirror meetings* is to inspire participants to raise the value of care they deliver to patients. They are also an opportunity to learn and improve from other providers. The third-party audits data quality and checks the appropriateness of medical indications to prevent unnecessary treatment. Through its *Care Finder* online portal, Menzis shares each provider's average outcomes performance with its customers. Although Menzis does not pronounce value judgements on the care itself, it makes clear distinctions between providers so customers can make informed choices regarding where to seek care. PROM comparisons trigger competition among providers and impact the bundled payment terms for the coming year. *Mirror meetings* also stimulate the exploration of underlying practices to develop a better understanding of outcome drivers.

Learning community

During *mirror meetings*, Menzis presents improvement potential illustrated through the difference between a provider's performance and the best-in class provider. Improvement is considered to have been achieved only if the results from the previous year have been enhanced by at least 20%. This performance serves as the baseline for the following year. In the first contract year, patient volume is unlimited and fully covered by the insurer. In the following years, the number of reimbursed cases depends on the degree of value improvement achieved relative to the previous year. Volume is capped if the provider does not improve.

Highlights

Mirror meetings set economic and psychological incentives for providers to cooperate in order to preserve agreements with the payer. Menzis benefits from this learning community that incrementally improves value over time, thus reducing complications and incurring costs.

References:

1. <https://www.menzis.nl/zorgaanbieders/zorgsoorten/medisch-specialistische-zorg/contractering/waardegericht-inkopen#staaroperaties> (accessed on November 25, 2019).

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