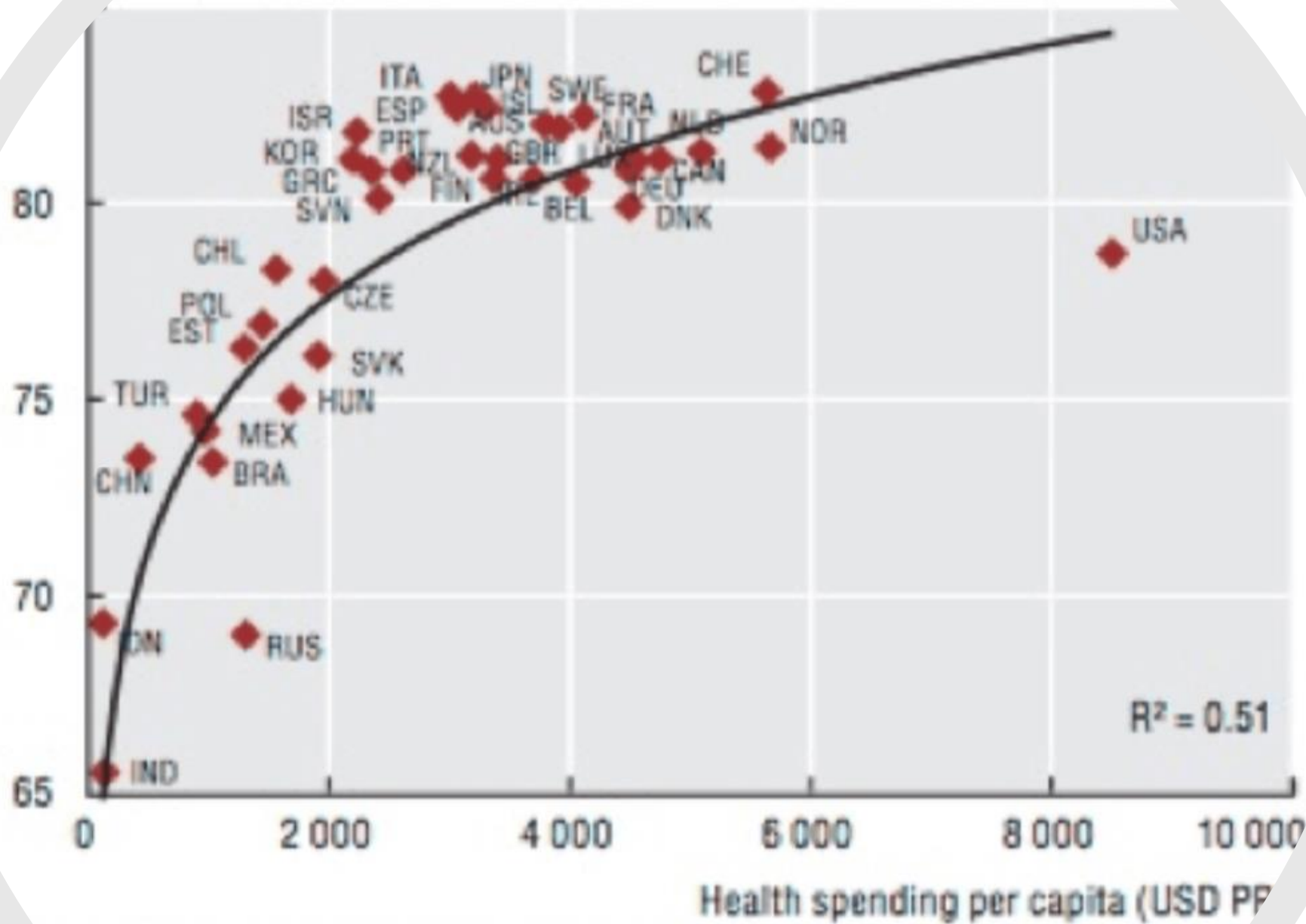


# Shopping for Value at the Health Care Market

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BeamTree



OECD Health Statistics 2013, <http://dx.doi.org/10.1787/health-dr>  
Link for non-OECD countries.



# Wasted health expenditure

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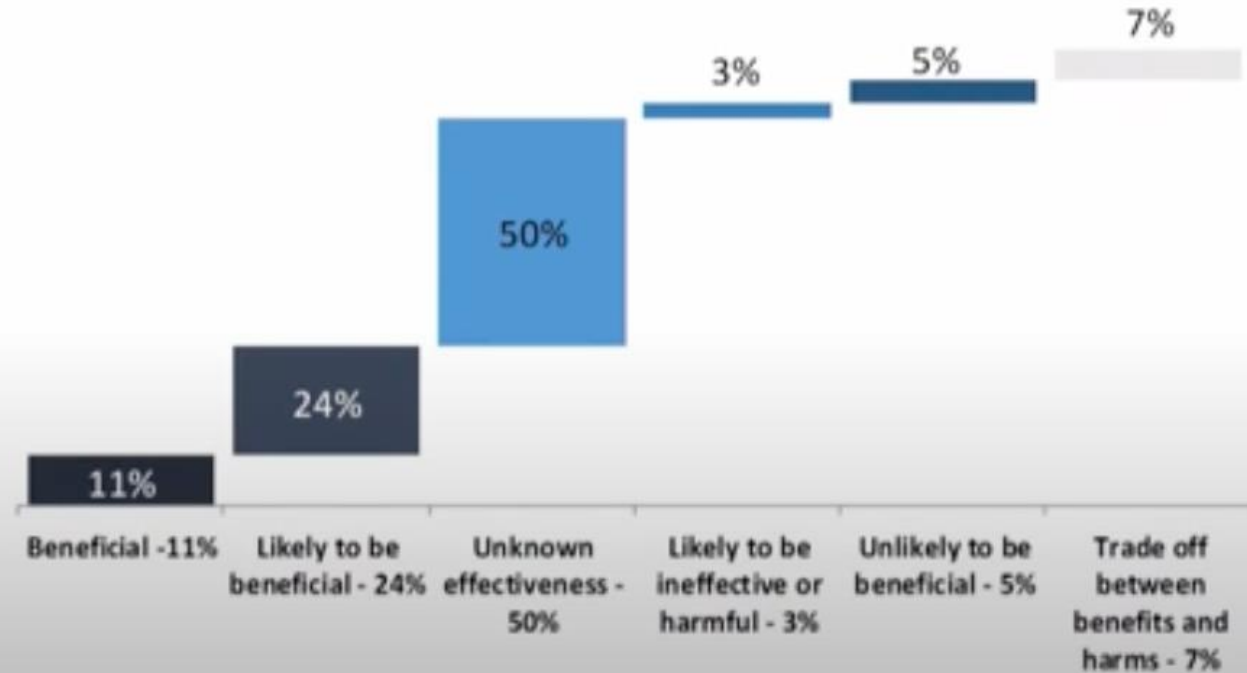
20-40%

# Where are we wasting money?

- Ineffective or harmful interventions
- Overuse
- Late interventions
- Duplication of processes
- Wrong diagnosis
- Avoidable harm

# Clinical Care

## Ineffective or harmful intervention



Source: Clinical Evidence, BMJ Publishing Group

What are  
we buying  
at the  
health care  
market?

Procedures

Interventions

Processes

Coffee?

# What is value in health care market?

## Value for patients:

- achieving the best health outcomes at the lowest cost
- health outcomes achieved that matter to patients relative to the cost of achieving those outcomes

## Value for providers

## Value for investors

## Value for industry

## Value for politicians

# Health Care Market Failures

Imperfect information

Competition

Externalities

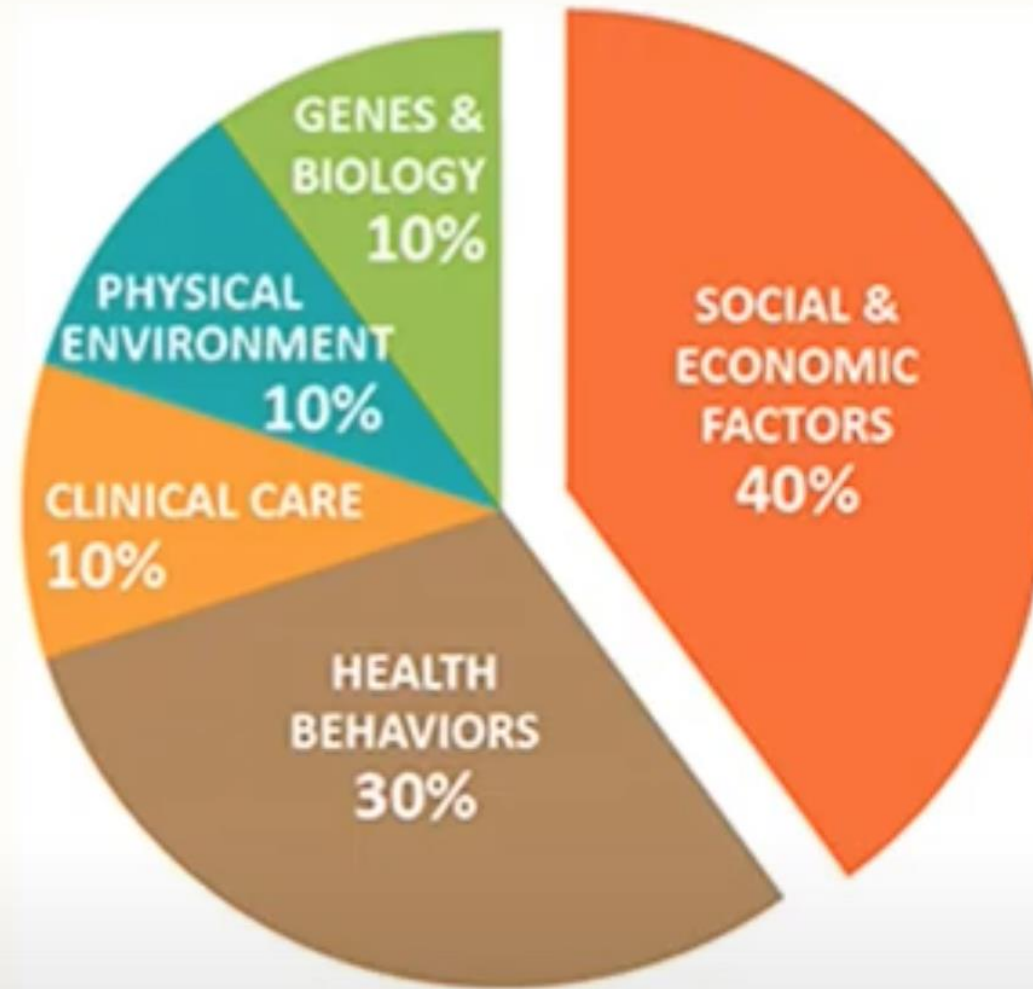
Public good



# Who is buying health care?

\*And what is health care anyway if I do not get health?

What is health care?



**DETERMINANTS OF HEALTH**

Source: University of Wisconsin

# Where and when are we buying health value?

When sick in a health care organization

When healthy

- In a gym
- In a supermarket
- In a restaurant
- In a tourist agency
- In a vaccination clinic
- In a theatre
- in a bookshop

When investing in a business

When voting for political leaders

.....???

# When sick

Upstream and downstream

Secondary prevention

Discrete episode of care vs continuous  
bundled care of chronic diseases

Clinical services predictive analytics

Integrated care



# Porter's Value Agenda

When healthy

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Paradox of prevention

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Education

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Information

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Wearables

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Genomics

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Social media

When  
investing in  
business

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Pollution

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Harmful products

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Climate change

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War

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# When voting

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\*People who vote are healthier (UCLA, 2020)



# Government policy levers

Taxation

Regulation

Spending

Information

# Rudolf Virchow (1821-1902)

- “Medicine is a social science, and politics is nothing else but medicine on a large scale”
- *Report on the Typhus Outbreak of Upper Silesia*: “...the outbreak could not be solved by treating individual patients with drugs or with minor changes in food, housing, or clothing laws, but only through radical action to promote the advancement of an entire population, which could be achieved only by "full and unlimited democracy" and "education, freedom and prosperity"

# Obstacles and solutions

Nanny government

Power of social media and internet

Data quality and access

Public education and health literacy

Citizen as employer

What is the best value for our  
money at the health care  
market and how can we buy it?