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Value-based care
Innovative collaboration drives value across the health care ecosystem

A new wave of change around value-based care is turning the health care ecosystem on its head as payers and providers lead the transition from volume to value. With a heightened focus on cost and increasingly challenging market access, there is an opportunity for life sciences organizations to take a broader health care ecosystem view on demonstrating value.

For many life sciences executives, understanding how to position their organizations to navigate this disruptive shift is becoming paramount to driving profitable growth. One strategic option available to life sciences companies is to collaborate with payers and providers as it offers life sciences companies the opportunity to influence the cost of care delivery and help improve patient outcomes. A collaborative approach offers several advantages such as providing greater access to real world patient data and analytics, potentially leading to interventions that can further improve patient care and reduce costs. Collaboration can also drive deeper and more entrenched relationships across the ecosystem, and even create potential for sharing in new value streams such as shared savings.

Key takeaways

- CEOs should evaluate value-based care as an opportunity to develop deeper relationships with payer and provider customers.
- Shared accountability models offer life sciences firms the opportunity to drive increased value throughout the health care ecosystem.
- Life sciences firms have core capabilities which can enable the development of shared accountability models.
- Does your current strategy consider a system view on value creation?

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One innovative approach to collaboration is the shared accountability model. A shared accountability model leverages capabilities across life sciences companies, providers, and payers to help improve outcomes and reduce costs. These models have the potential to create benefits across the system of care. Shared accountability models go beyond traditional risk shifting efforts, such as outcomes-based contracting, because partners share upside, downside, and investment risk. In that sense, shared accountability models are true partnerships with shared engagement and responsibility for outcomes. Shared accountability models are most effective when incentives from each party are aligned. However, defining the metrics to effectively measure the results of such collaborative agreements is a significant challenge.

Over the years, life sciences companies have developed capabilities that could prove critical to the success of these models. For example, a deep understanding of the patient journey can help identify and unlock trapped value for providers, payers, and patients. In addition, the ability to drive effective physician engagement can be beneficial to payers, especially those that seek to influence physician behavior. Proactively exploring collaborative arrangements with payers and providers may increase value across the health care ecosystem while directly enhancing the value proposition of life sciences companies.

Stimulating sustained growth in today's new value-based care environment requires a shift in mindset from product performance to health outcomes. In working with life sciences organizations, Deloitte has found that many are making investments in new capabilities that help them design and pilot shared accountability agreements with payers and providers. Those that embrace this broader definition of value creation have an opportunity to generate industry-leading competency with a potential for real differentiation.

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