

The NHS Confederation's Decisions of Value

A missed opportunity for change?



Behind every
great healthcare
decision

Driving value in the NHS

Culture or data first?

“Value in health care is determined in addressing the patient’s particular medical condition over the full cycle of care, from monitoring and prevention to treatment to ongoing disease management.”¹

Michael E. Porter

Every major commercial sector is obsessed with one question: How do we drive value? That’s to say how do they contain costs without reducing service quality and customer satisfaction.

They might focus on one or more ways to drive value – from market value gained through innovation to increased brand equity delivered through personalised customer experiences or greater profitability derived from rebalancing costs – but value generation is everything. Every thought, every decision and every daily activity.

Achieving greater value, year on year, is something commercial industries from banking to retail, professional services to pharmaceuticals know they can only achieve through the smart, timely use of accurate data. If the world’s most successful businesses make data the lifeblood of their organisations – as do an increasing number of healthcare providers in the US and Nordics – why shouldn’t the NHS?

Authorities in value-based care, such as Michael Porter, also believe that ‘building an enabling IT infrastructure’ is one of the founding tenets of adopting a value-based healthcare agenda – one that is capable of collecting and utilising patient data in real time.

¹ Redefining Health Care: Creating Value-based Competition on Results, Michael E. Porter

Why is data-driven decision-making not yet ubiquitous in the healthcare industry, our NHS?

In our opinion, it is because the NHS focuses on driving value through soft, culturally-based and qualitative measures rather than by putting data, evidence and insight at the core of every strategic and operational decision. It's heartening to see that value-based healthcare (i.e. where patient value is increased for every pound spent) is taking hold as an approach across the NHS. **However, we at SAS believe that only by replicating the proven use of data-driven decision-making can the NHS transform into an organisation capable of delivering increased patient value at every stage of care.** And only from this position of increased patient value can new models of care work efficiently.

Today, we are concerned. We believe NHS strategists and clinicians are missing the crucial opportunity for radical change that the intelligent use of data presents. For example, recent research by the NHS Confederation, entitled 'Decisions of Value', shows that NHS respondents place much greater importance on making cultural, environmental and behavioural changes in order to improve decision-making.

Which changes will prove transformational?

We absolutely believe that these changes will be helpful. However, the NHS Confederation's research also shows that using data to make decisions of value comes much further down the list of priorities – and we believe this is the wrong emphasis. From the work we have undertaken with some of the biggest and most forward-thinking businesses, public sector organisations and healthcare providers around the world, we know that leveraging insights hidden in data is the most powerful way to drive value from every commissioning programme, every managerial strategy and every clinical action. This cannot be achieved if data is used as an afterthought – as a way to justify decisions that have already been made subjectively.

With an ageing population to care for, more of whom will develop complex and chronic health conditions that require long-term medical and social interventions, it is absolutely mission critical that the NHS finds a way to drive up patient value. This is no different to every other service organisation whose customers have ever more sophisticated tastes, demands and needs – each of which requires a more personalised service offering. Simply pumping more and more money at healthcare provision is totally untenable.

Data-driven change must happen now so that the NHS can benefit from the same performance, efficiency, quality and cost benefits as every modern business.

Information at the core

Why 'data first' is the only answer

The NHS Confederation's research reports a number of factors that will enable 'decisions of value' to be made. These include stronger clinical and financial rapport, deeper value-based behaviour, greater peer support and more conducive decision-making environments. The problem is this: how can patient value be transformed simply by changing where decisions are made and by having value 'front of mind', if objective, current, thoroughly tested information does not form the foundation of those decisions?

Yes, a closer connection between clinicians and their finance colleagues will help to actively involve medics in the big operational decisions, but it won't change the way those decisions are made and the value they deliver. Both parties require robust evidence to assess and prioritise investments and to understand the return on that investment – i.e. the quality of care delivered and the value of the patient outcomes. Clearly it's not just the quality of the initial decisions that data can improve, it's the measurement of those decisions, which to date is known to be poor in the NHS. In fact, the NHS Confederation's research states that over 50% of respondents spend little or no time monitoring and evaluating decisions – so how do NHS leaders know for certain that increased value is being delivered? They don't, not for certain.

In the same vein, even if processes are enhanced to enable peer-to-peer collaboration or physical environments are changed to provide quieter spaces for decision-makers to work, how can NHS leaders be certain that these measures will make every decision a value generating one? It's impossible to be certain.

Essentially, **making cultural and environmental changes to the decision-making process will not improve patient value**, because quite simply making better decisions requires researchers, clinicians, commissioners and managers to 'know more', to understand what is possible, to predict needs, model outcomes and to measure the value of patient outcomes. And this simply cannot be achieved **unless NHS organisations put data first**.



Value: It's a serious business

How SAS can improve personal, allocative and technical value in the NHS

Every consumer-facing business is today obsessed with finding innovative ways to improve the quality of service and the level of satisfaction they can provide for customers. Largely, this is focused on how they can deliver personalised services based on accurate, rich, data that tells a joined up story about each and every customer. One that predicts their needs and wants, while also understanding their buying preferences and much more, so that businesses can know, with a high degree of certainty, what offers to create and promote to each customer that will leave them satisfied and willing to make recommendations to their peer groups. All this insight comes from a single customer record, created, managed and analysed in split seconds by SAS. This is the engine behind the 'Tesco Clubcard' and 'Amazon recommends', and it can easily be deployed in the NHS for activities such as developing population health strategies.

Driving personal patient value

In a similar way, the NHS demands accurate, timely patient information that it can use for administrative, clinical and research purposes in order to develop preventative health strategies for the future. Indeed, the NHS Confederation's report talks about the need to drive personal value – assessing whether each individual patient is receiving exactly what is right for them.

By bringing together disparate data sources, clinicians and researchers can gain a more detailed, holistic view of patients in order to develop more personalised care pathways where outcomes can be modeled, verified and delivered to relevant patients. A great example of this is demonstrated through our work with The Royal Brompton and Harefield Foundation Trust. This specialist cardiac and lung hospital has worked with SAS to create a single data warehouse that collates patient data from multiple silos, including structured and unstructured data, such as letters to patients from consultants. The organisation now uses this repository to identify groups of patients and put them on management plans that are better aligned to their personal healthcare needs.

Extracting more value from budgets

The NHS Confederation also talks about 'allocative value'. This means determining how much funding should be allocated to different patient groups and how to split funding on disease areas. It is easy to see how internal politics, subjectivity and personal relationships between decision-makers have historically influenced value.

Decisions about allocating funding can be accelerated, tested, and outcomes monitored and changed dynamically by using, deep current data rather than historical arguments, subjectivity and partial insights.

In the UK, SAS technologies have helped NHS England to build a platform that allows the organisation to make better-informed decisions about commissioning services for population health and to predict their outcomes, because it is based on a deep pool of current data. The next phase of this project will look at how this commissioning solution can be applied in geographic regions to assist the work of the CCGs.

For those NHS Vanguard responsible for developing new models of care, SAS technologies can be used to develop and test new care pathways, analyse their impact on patient outcomes and evaluate value, defined as patient outcome or quality divided by cost.

Technical value

Lastly, the Confederation's report looks at how to improve technical value, otherwise known as operational and resource efficiency. The challenge here revolves as much around how to gather and report on data as it does on the analysis of what is working well and which processes are not delivering value.

Once again, SAS has a demonstrable solution in this area, illustrated by our work with the HSCIC, a customer since 2009 who use SAS to analyse huge sources of data from many different NHS silos and report on the NHS system as a whole. The outputs produce data sets that can be used to ask any number of questions about the performance of key areas of the NHS.

Without putting real-world data at the heart of these performance analyses, NHS organisations will never truly understand their efficiency challenges. Nor will they be able to model possible solutions – before they go live – in order to mitigate risk and deliver increased value.



In summary

While we agree that every decision NHS professionals make should have the question 'Will this improve patient value or resource and operational efficiency?' front and centre, it is our belief and experience that high quality data and powerful analytics MUST be at the core of important decisions, and not an afterthought. Only by using data to deliver objective evidence will clinicians be empowered to enhance what experience tells them in order to make systemic decisions and individual patient decisions that will always maximise value. Once we understand how to drive value from our current models of care the NHS will be much better placed to utilise this 'know-how' to develop, cost, measure and ensure the quality of new models of care.

Using information technology to do so, must be taken seriously. As we have already noted, Michael Porter, a proponent of the value-based care strategy, believes that 'building an enabling IT infrastructure' is one of the founding tenets of adopting a value-based healthcare agenda'. The data and its management, and the analytic tools that interrogate it must therefore become a central component, also, and not a mere 'helping hand'.

Cultural and organisational changes, implemented alone, have never demonstrably effected the radical efficiencies and transformational patient value that we know SAS analytics can. It's our belief that the hidden insights in clinical, patient, research and operational data will provide the answers the NHS needs to drive the right kind of change – change that makes true patient-centricity an everyday possibility while balancing the books.

The proof of data's potency as an agent of change is nowhere more powerfully demonstrated than in our work with Kaiser Permanente in enabling them to operationalise integrated care and improve patient outcomes. Our experience in healthcare over many decades powerfully demonstrates the revolutionary impact of using data, intelligently, to make better decisions about value. If you would like to know more about our work with UK healthcare organisations, those in the Nordic region, or in the US and how we can certainly support you, please visit sas.com/healthcare, or call Amy Murray, Healthcare Client Director for SAS UK.

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