**Value: Defined by Whom?**

In many ways, healthcare policy is made through the way we reimburse healthcare providers. Most recently, federal policy makers are using this approach to incentivize “value” which, to them, means lowering costs and improving care quality. Paying for value means changing the way we pay for healthcare. For decades, healthcare providers have been paid using a “fee-for-service” (FFS) model that pays providers for every service they provide. FFS incentivizes volume and lacks a mechanism to hold providers accountable for the quality of care they provide.

Over the last few years, new “value-based” payment systems that hold healthcare providers financially accountable for cost efficiency and performance on quality metrics have been gradually replacing the FFS model. Common examples of value-based payment models include accountable care organizations (ACO) and bundled payment models.

The federal government has spearheaded the transition to value-based payments with many commercial health plans following its lead. The government views “value” through its lens as the largest payer for healthcare services in this country. This is why federal policy makers have prioritized cost and quality in the value equation.

A [study](https://healthcare.utah.edu/publicaffairs/news/2017/11/value-survey.php) from the University of Utah found a significant disconnect between what patients feel is most valuable to their healthcare experience from what policy is currently incentivizing. Cost was the only commonly held factor in the value equation. Patients understandably want to keep their out-of-pocket costs affordable. Beyond cost, patients placed the most value on customer service factors such as wait times and convenience to schedule appointments.

These findings are backed up by [focus groups](http://startmovingstartliving.com/wp-content/uploads/2020/01/Monograph_06_pages_no_bleeds.pdf) conducted by Movement is Life (MIL) to capture the views different racial/ethnic groups hold about what is valuable to them when receiving healthcare. MIL convened Black patients in Cleveland, Hispanic patients in Chicago and mixed-ethnicity community health workers in Hazard, Kentucky to ask about what was most important to them in their interactions with the healthcare system.

While the improvement of care quality and reducing healthcare costs are laudable goals that many believe we should continue working to achieve, should that be the only focus? This presentation aims to provide a primer on payment systems and their pros and cons as well as discuss the findings of these focus groups.   A broader discussion on value and healthcare may provide some insight into what patients want or expect from a patient-provider encounter and a healthcare system.  Shouldn’t that matter?

Improving care quality and reducing healthcare costs are laudable goals that we should continue working to achieve. However, policies that only focus on these two things miss the larger picture of what patients want from the healthcare system and may be ineffective and even costly. It is time to incorporate the patient into the value equation.