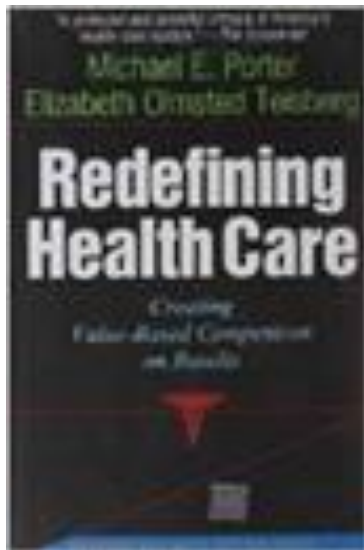


# Value-Based Healthcare: a fad or miracle cure for systems globally?

## Panel discussion



Lausanne, June 28<sup>th</sup> 2018

## Welcome our speakers

The speakers  
(alphabetically)

- **Antoine Hubert**  
Delegate of the Board  
AEVIC VICTORIA SA & Swiss Medical Network
- **Hans Middelhoven, PhD**  
Head of Innovative Pricing, Global Pricing and Market Access  
Pharmaceuticals Division, F. Hoffmann-La Roche
- **Dr. Laurent Tchang, MBA'14D**  
Managing Consultant, Integrated Health Solution  
Medtronic EMEA
- **Aleksandar Ruzicic** (moderator)  
President, Healthcare Club, INSEAD Alumni Association Switzerland  
Partner, Executive Insight

## Three step proven approach tonight: 1. Introductions/opening 2. Panel discussion 3. Interactive Q&A

Approach by step

Step	1. Introductions/ opening	2. Panel discussion	3. Q&A with the audience
<ul style="list-style-type: none"> <li>• Welcome and acknowledgements</li> <li>• Brief speakers introductions</li> <li>• Opening statements (up to 5 minutes)</li> </ul>	<ul style="list-style-type: none"> <li>• Importance of value in healthcare today</li> <li>• Learnings since 2004 concept introduction</li> <li>• Key hurdles for a faster transformation</li> <li>• VBHC in the next 10 years globally</li> </ul>	<ul style="list-style-type: none"> <li>• Introduce yourself with name/affiliation</li> <li>• Make your contributions</li> <li>• Target a question to panel member(s)</li> </ul>	
Duration	<15 minutes	<45 minutes	30+ minutes

## The panel discussion members combine a variety of perspectives to address today's topics



**Antoine Hubert**

- Founder/ executive leader of second-largest Swiss private hospital network in 2004
- Multiple Entrepreneur in property and real estate industry



**Hans Middelhoven, PhD**

- Novel Pharma MA concepts, e.g. Personalized Reimbursement Models
- PhD in Immunology, University of Amsterdam



**Dr. Laurent Tchang**

- Hands-on value-based cardiovascular solutions, e.g. data, IT, benchmarks
- Medical Doctor (surgery) and MBA INSEAD

### Variety of perspectives...

- ...across many sectors covering healthcare providers, pharma and medtech
- ...as entrepreneur, executive, managers/leaders and consultants
- ...on medicine, healthcare systems and life sciences/ innovation

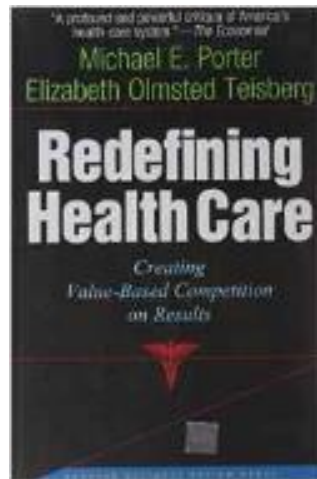
## Today, we will discuss four key questions with the panel members



- ? How important is value (outcomes/ total costs) in healthcare currently?
- ? What have we learned since the healthcare value concept introduction in 2004?
- ? Which key hurdles prevent a faster transformation of healthcare systems?
- ? How will value-based healthcare spread further in the next 10 years?

## How important is value (outcomes/ total costs) in healthcare currently?

*How can one show improvement over Standard-of-Care?*



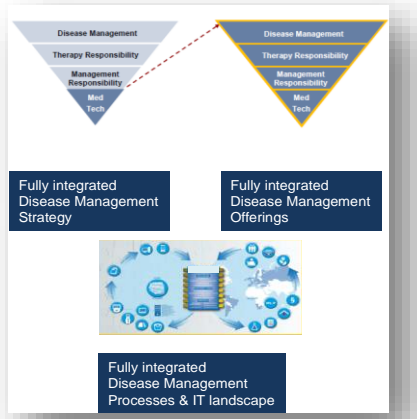
Outcome

Total costs

*Why is there not more competition on (lower) costs?*

# Fresenius Medical Care competes on value in dialysis since 1998

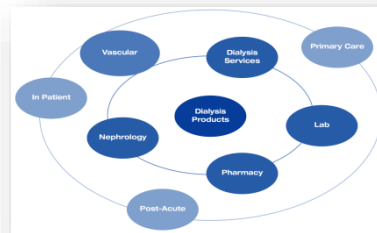
## EuCliD Database 1998



### EUropean Clinical DB for Dialysis (KPIs!)

- Original database created in 1998
- Benchmarking in Germany since 2002
- Covering all EU dialysis since 2014 (100,000+ patients)

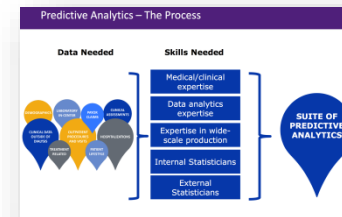
## Care Coordination 2013



### Care Coordination (with revenue target)

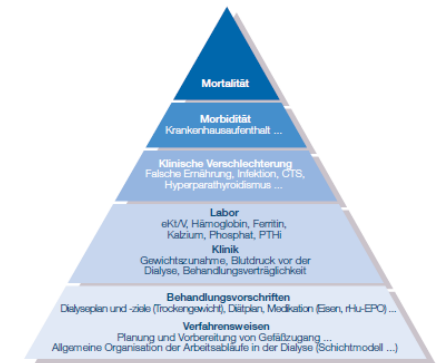
- Bundled non-dialysis services since 2013
- Based on internal COM-Ex & OP-EX
- From individual services to holistic and coordinated care

## Predictive Analytics 2015



### By Renal Research Institute (scientific arm)

- “Big Data” modeling for renal care since 2015
- Outcomes monitoring and predictions for high risk patients
- Lower costs from major reductions in hospital admissions and stays



EuCliD® Qualitäts Pyramide

## What have we learned since the healthcare value concept introduction in 2004?



Foundation of International Consortium for Health Outcomes (ICHOM), a non-profit organization

HBR article "Making Competition in Health Care Work" by Michael Porter and Elizabeth Teisberg



1994

2004

2006

2012

2017

Book "Redefining Health Care: Creating Value-Based Competition on Results" by Michael Porter and Elizabeth Teisberg

HBR article "Redefining Competition in Health Care" by Michael Porter and Elizabeth Teisberg



Pilot project for Value-Based Health Care by the WEF



## Reproductive Health players offer value for SELF-PAY customers



- Leading medical institute in assisted reproduction founded in 1990 in Valencia
- 70+ clinics in 13 countries across Europe (Spain etc.), Americas and Asia
- Expanding offer: stem cells cord bank, education, training & consulting research

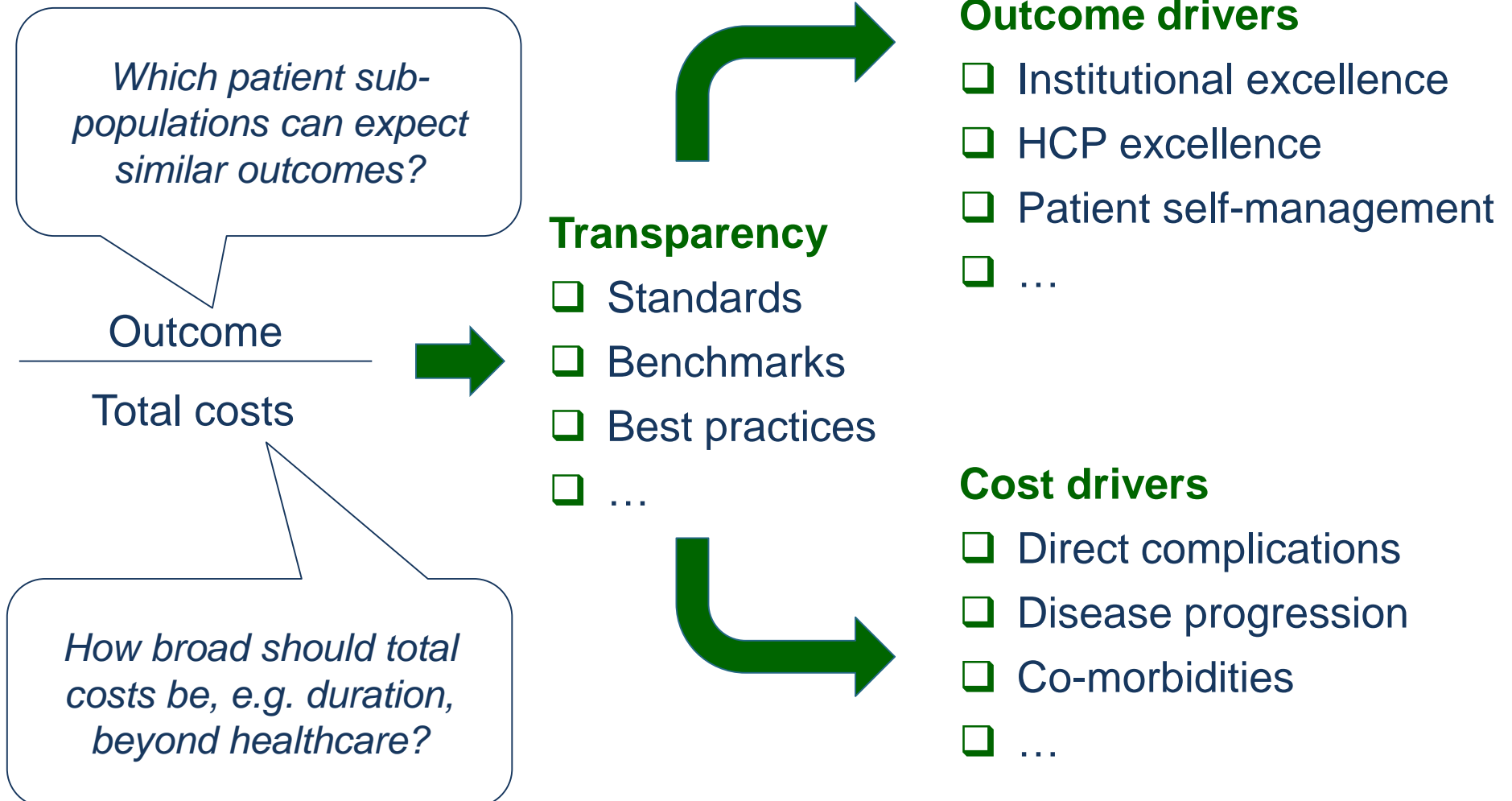


- Network of fertility centers with centrally offered clinical/ business services
- 39 centers at 153 locations across 32 US states (8% of cycles)
- Integrated practice management systems, also improving outcomes



- Combined fertility drugs and more recently technologies company
- Created division fertility technologies in 2016 focusing on centers
- Strong focus on patients due to partial self-pay, also for drugs, e.g. pens

## Which key hurdles prevent a faster transformation of healthcare systems?



## How will value-based healthcare spread further in next 10 years?

### Value-based competition in healthcare principles

1. The goal should be increasing value for patients, not just lowering costs
2. Competition must be based on results
3. Competition should center on medical conditions over the full cycle of care
4. High quality care can dramatically improve efficiency
5. Value must be driven by experience, scale and learning at the medical condition level
6. Competition to improve value should be regional, national and international, not just local
7. Results information must be widely available
8. Innovations that increase value must be strongly rewarded

### Leapfrogging in low-/middle income countries

- Value as combination of outcome and affordability
- Outcomes transparency key
- Fixed-fees demanded by out-of-pocket patients' financing
- Limited capacity for any complications, e.g. ICUs
- Increasing specialization, particularly by private providers
- Accelerating supranational competition, e.g. teleradiology
- Continuous learning/ insights
- Frugal business models expanding over time

**Now, it is your turn to get involved and ask questions!**



**Antoine Hubert**



**Hans Middelhoven, PhD**



**Dr. Laurent Tchang**



**Please**

- Introduce yourself with name/affiliation
- Make your contributions
- Target a question to panel member(s)



**Please contact me for an in-depth discussion on Value-Based Healthcare or the INSEAD Healthcare Club in Switzerland in general**

INSEAD

**The Business School  
for the World®**



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