

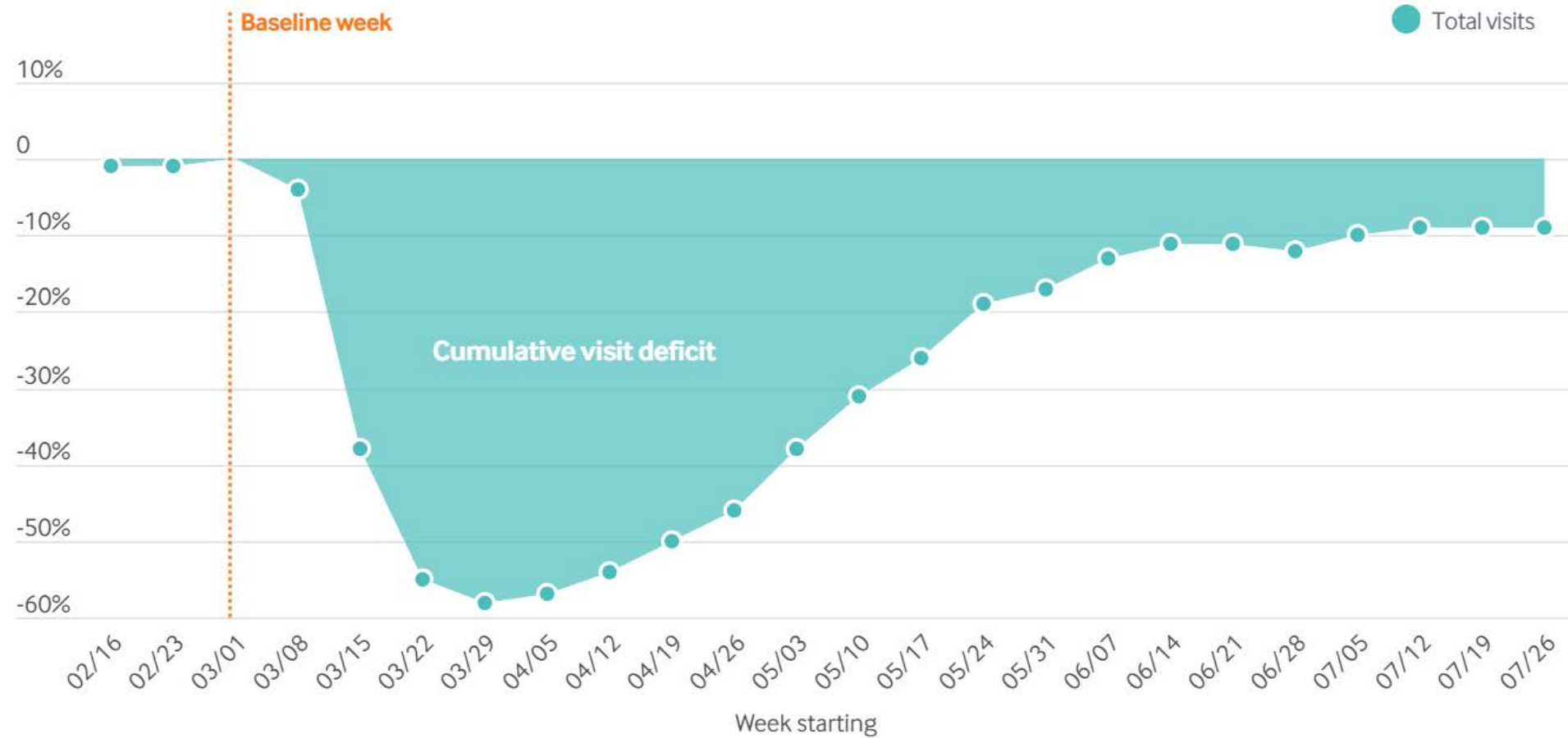
Opportunities to improve value in health following the COVID-19 pandemic

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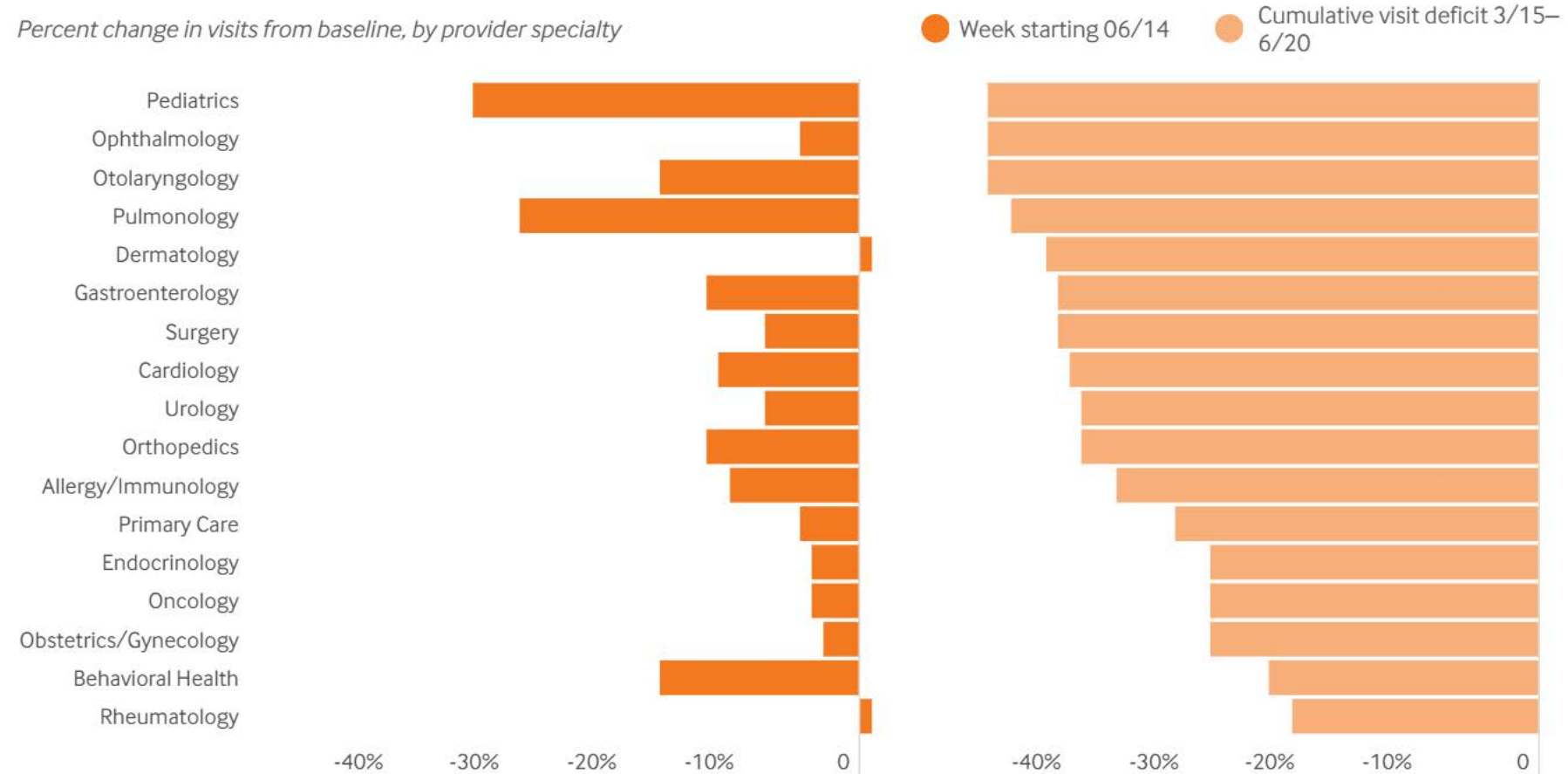
 VUHealthPol

Dramatic effects of the pandemic on care use



Source: Mehrotra et al., *The impact of the COVID-19 pandemic on outpatient visits: Practices are adapting to the new normal* (Commonwealth Fund, June 2020)

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Learning from this dramatic change in care delivery

- COVID-19 presents unique opportunity for natural experiments
- What are the consequences of stalled routine & elective care?
- How can we rethink the way we allocate funds to providers or services?



First, stop paying for things that are known to be low-value

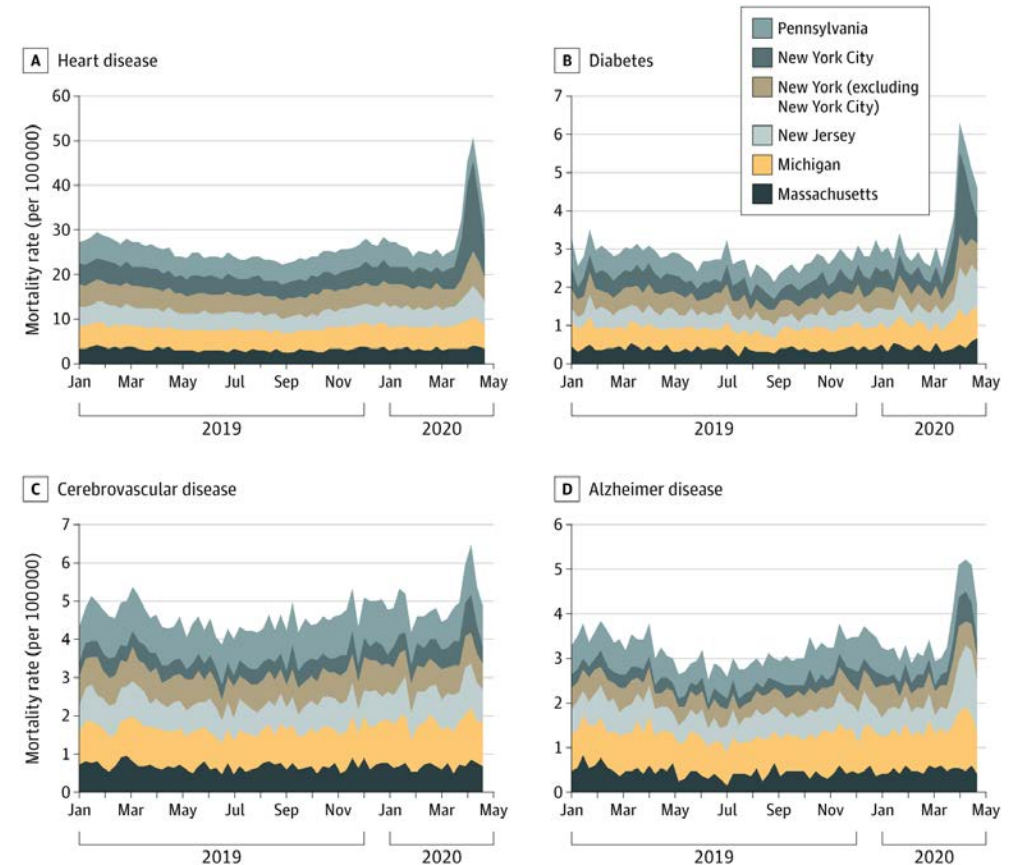


Image credit: Rex Gee (rexgee.com)

- Expenditures for low-value care exceed \$300 billion per year
- **With low-value care, risk of disease transmission > potential clinical benefits**
- Solutions involve both
 - Demand side (e.g. cost-sharing, eliminating reimbursements)
 - Supply side s (e.g. site neutral payments, capitation)

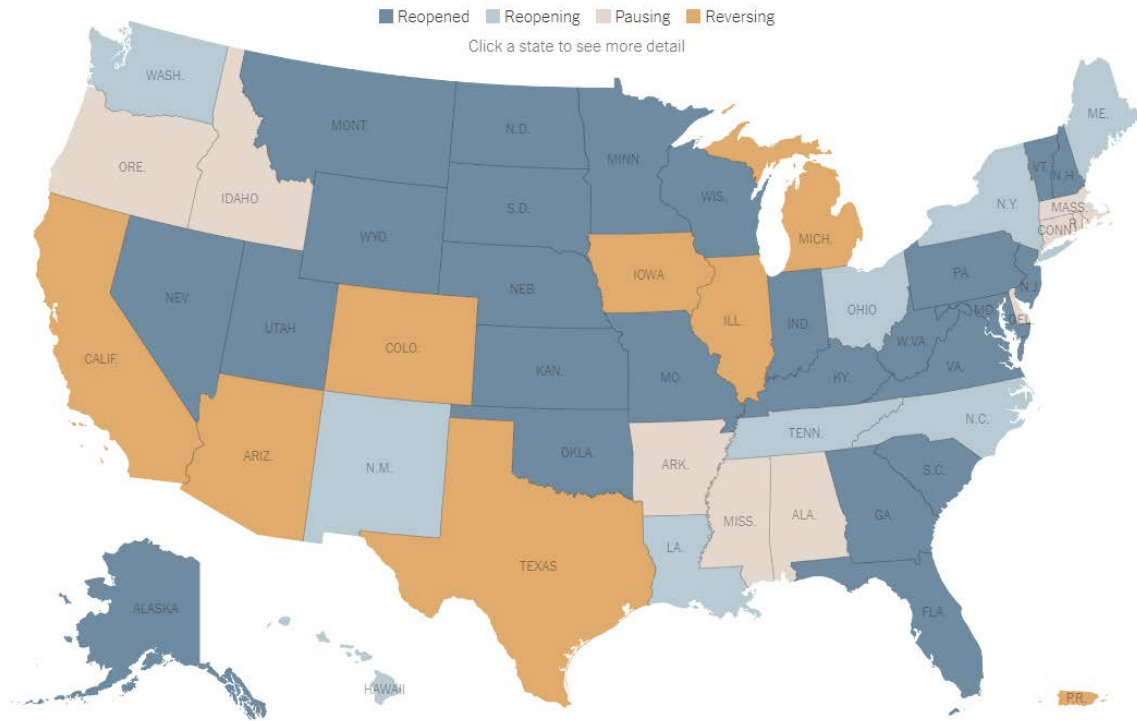
Exploit **temporal** variations in pandemic severity & public health orders

- Researchers may track health of populations over time
- Identify overall changes associated with pandemic
- Limitations:
 - Difficult to parse out effects of treatment from effects on the economy, mental health, etc.
 - Cannot make causal claims regarding particular types of care



Source: Woolf et al., *Excess deaths from COVID-19 and other causes, March-April 2020* (JAMA 2020)

... or **spatial** variations

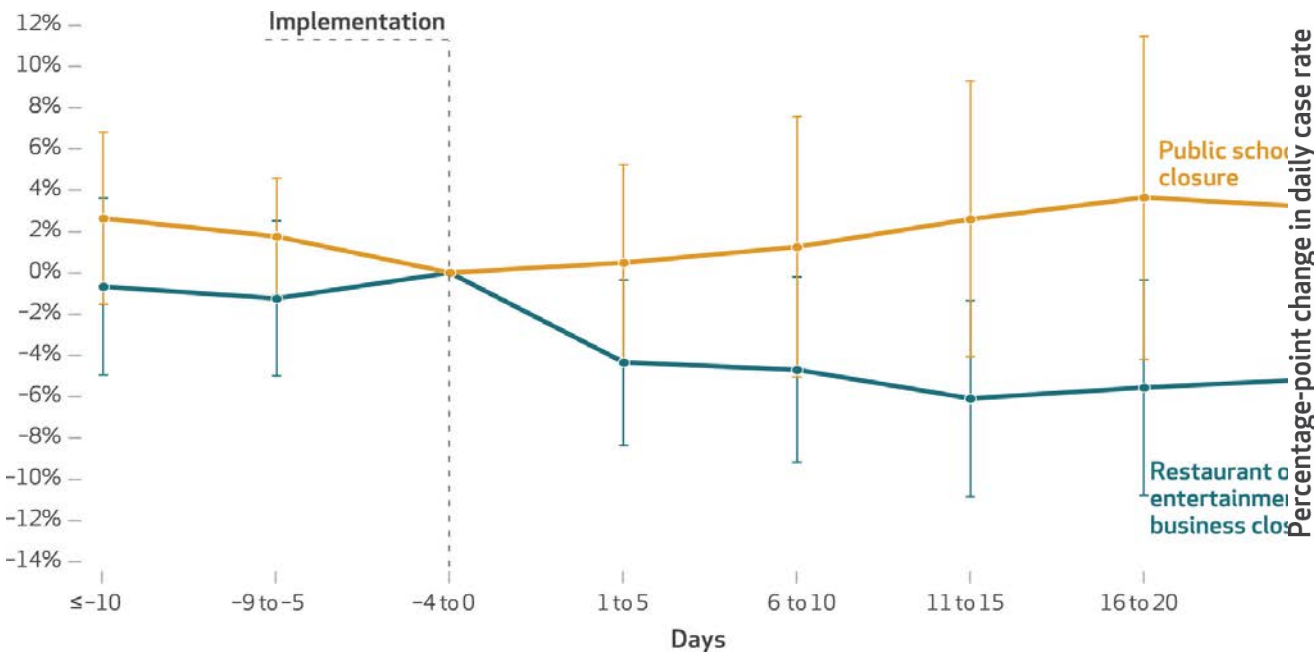


Source: The New York Times, *See how all 50 states are reopening (and closing again)*. Accessed September 29th, 2020.

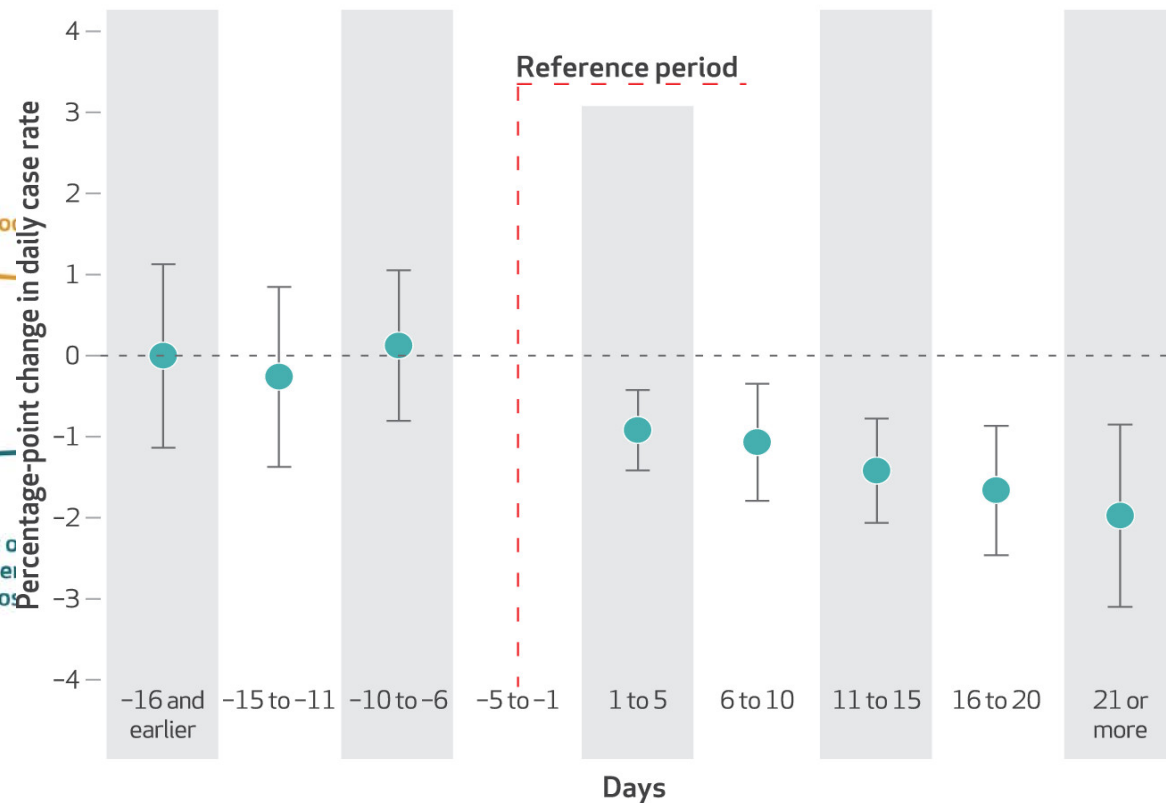
- Burden of COVID-19 is unequally distributed across geography
- State policy responses also varied in timing, length, and breadth
- Plausibly exogenous to specific disease processes
- Event study & synthetic control designs may identify effects on short- & long-term outcomes

Exploit **temporal** variations in pandemic severity & public health orders...

... and **spatial** variations



Source: Courtemanche et al., *Strong social distancing measures in the United States reduced the COVID-19 growth rate* (Health Affairs, May 2020)



Source: Lyu & Wehby, *Community use of face masks and COVID-19: Evidence from a natural experiment of state mandates in the U.S.* (Health Affairs, June 2020)

Utilize novel data sources on individual responses to COVID-19

The logo for the Medical Expenditure Panel Survey (MEPS), featuring the letters 'MEPS' in a bold, blue, italicized sans-serif font.The logo for the United States Census Bureau, featuring the words 'United States' in a smaller blue font above the word 'Census' in a large, bold, blue font. Below 'Census' is a thick blue horizontal line, and the word 'Bureau' is written in a smaller blue font to the right of the line.

- Much early COVID-19 research leveraged large existing databases
 - Cross-sectional & potential for ecological fallacies
- New survey data are now available or forthcoming:
 - Medical Expenditure Panel Survey
 - Census Bureau Household Pulse
- Careful analyses could isolate and study health effects in households

Use integrated health systems as comparison groups

- Finding a control group during a pandemic is hard
- Integrated health systems may provide useful targets
 - E.g. Kaiser Permanente, Veterans Health Administration (VHA), Intermountain Healthcare
 - Comparisons of telemedicine versus in-person care
 - Financial stability of different care models
- Bonus: Robust electronic health records, VHA integration of data from Medicare & Medicaid



Capitated payments encourage value in health & pandemic resilience

- Under capitation, provider revenue is tied to the number of enrolled patients
- Low-value care is disincentivized
- Hospitals losing billions in revenues, health care employment declining
- **Capitation payments are less sensitive to demand shocks**



Image credit: Post Carbon Institute (resilience.org)

Q&A

