

# Are we ready for value-based healthcare?



**W**hen was the last time you visited a hospital and did not end up with a plethora of prescribed medicines? Did you fully understand the purpose of all the medicines and their potential side effects?

The information age has led to the rise of more informed and demanding consumers. Information that was the preserve of a few is now readily available through a simple internet search. Service providers, therefore, have to contend with better-informed consumers who want to understand their options and demand the best value for their investments. However, in Africa, unlike the financial services and retail sectors, where consumers are more discerning, consumers of healthcare lag behind in their engagement with healthcare providers for better value of the care they receive. Generally, in our culture, we place full trust in our doctors to provide the best care. The truth is, as much as you might Google what "Pleural effusion" is, you are unlikely to argue with your doctor when they prescribe "nitroglycerin" tablets" to diffuse your chest pain.

The traditional life sciences value chain begins with laboratory investigation/test to determine the ailment to help the physician write out a prescription. What you may not know as the patient is that pharmaceutical companies have established robust sales and marketing networks to persuade healthcare providers of their products' efficacy to boost their sales. Hence, it could be that you are receiving the best sales pitch instead of the optimal drug for your condition. While there are measures to counter the apparent self-interest risk, these measures must be further strengthened and complemented by more informed consumers at the point of care.



Value-based healthcare is not an entirely new concept. At the core, value-based care models aim to help healthcare consumers achieve the best health outcomes at the most efficient cost. This is a common principle in most willing buyer-seller interactions. However, the strain in health budgets, which the Covid-19 pandemic has exacerbated, is demanding value in all spending. Every shilling and dollar spent needs to bring commensurate value for governments and even individuals whose healthcare budgets have been reduced by the current economic challenges. This, coupled with the 'wellness' craze and people resorting to natural remedies to alleviate their health problems, means that healthcare providers must focus on providing value-based treatment to remain competitive.

Below are some considerations which medical practitioners should pay attention to as they begin the journey to delivering value-based healthcare.

- Value means different things to different people. Therefore, healthcare providers must aim to understand what value means to their patients.
- They need to shift focus from sellers of volume to contributors in outcomes in terms of improving their patients' quality of life.
- Collaboration is the key to success. Greater collaboration between patients, providers, pharmacists, and insurers, to look beyond their individual inputs and how they all contribute to the intended outcome – good health and wellbeing.
- Data must follow the patient. To effectively deliver value-based healthcare, providers must expand beyond the traditional efficacy metrics to incorporate patient-reported outcome/ experience measures that define success in healthcare delivery.
- In Africa, healthcare providers should prepare for changes in the existing health insurance models, which guarantee payment irrespective of the treatment outcomes, to those where payments are based on patient health outcomes.

Patient-centricity is the core of value-based healthcare. For medical practitioners to remain competitive, they must adapt care provision to put value to healthcare consumers at the heart of everything they do.

[Click here for more insights on value-based healthcare.](#)

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