

STS/EACTS Latin America Cardiovascular Surgery Conference

November 15-17, 2018

Hilton Cartagena | Cartagena, Colombia



The Society
of Thoracic
Surgeons



EACTS
European Association for
Cardio-Thoracic Surgery

New Payment Models & the Role of Industry



Disclosures

- Employed by Medtronic

NEW PAYMENT MODELS & THE ROLE OF INDUSTRY

STS/EACTS LATAM

CARTAGENA, NOVEMBER 2018

DR. JASON ARORA
DIRECTOR OF VALUE-BASED HEALTH CARE

Medtronic
Further, Together



HEALTH CARE FACES A UNIQUE SET OF CHALLENGES

AND THESE REQUIRE A UNIQUE SOLUTION

1. We need to provide health care to **everyone** at some point in their lives.
2. This health care must be of **high quality**, because health is one of the key enablers for everything we do.
3. We must do this with **finite resources**.

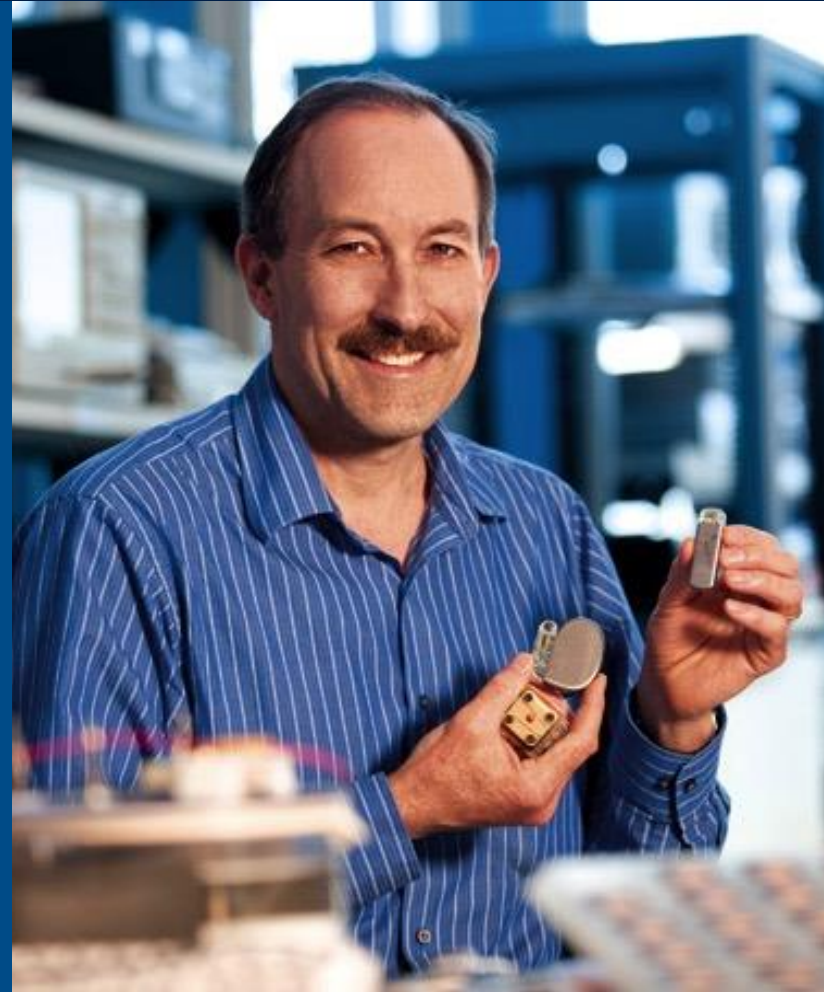


**VALUE-BASED HEALTH CARE
(VBHC)**

EVERY HEALTH CARE STAKEHOLDER HAS THE SAME ULTIMATE GOAL MEDTECH - AIM TO USE TECHNOLOGY TO IMPROVE PATIENT OUTCOMES

THE MEDTRONIC MISSION, TENET ONE:

“To contribute to human welfare by application of biomedical engineering in the research, design, manufacture, and sale of instruments or appliances that **alleviate pain, restore health, and extend life.**”

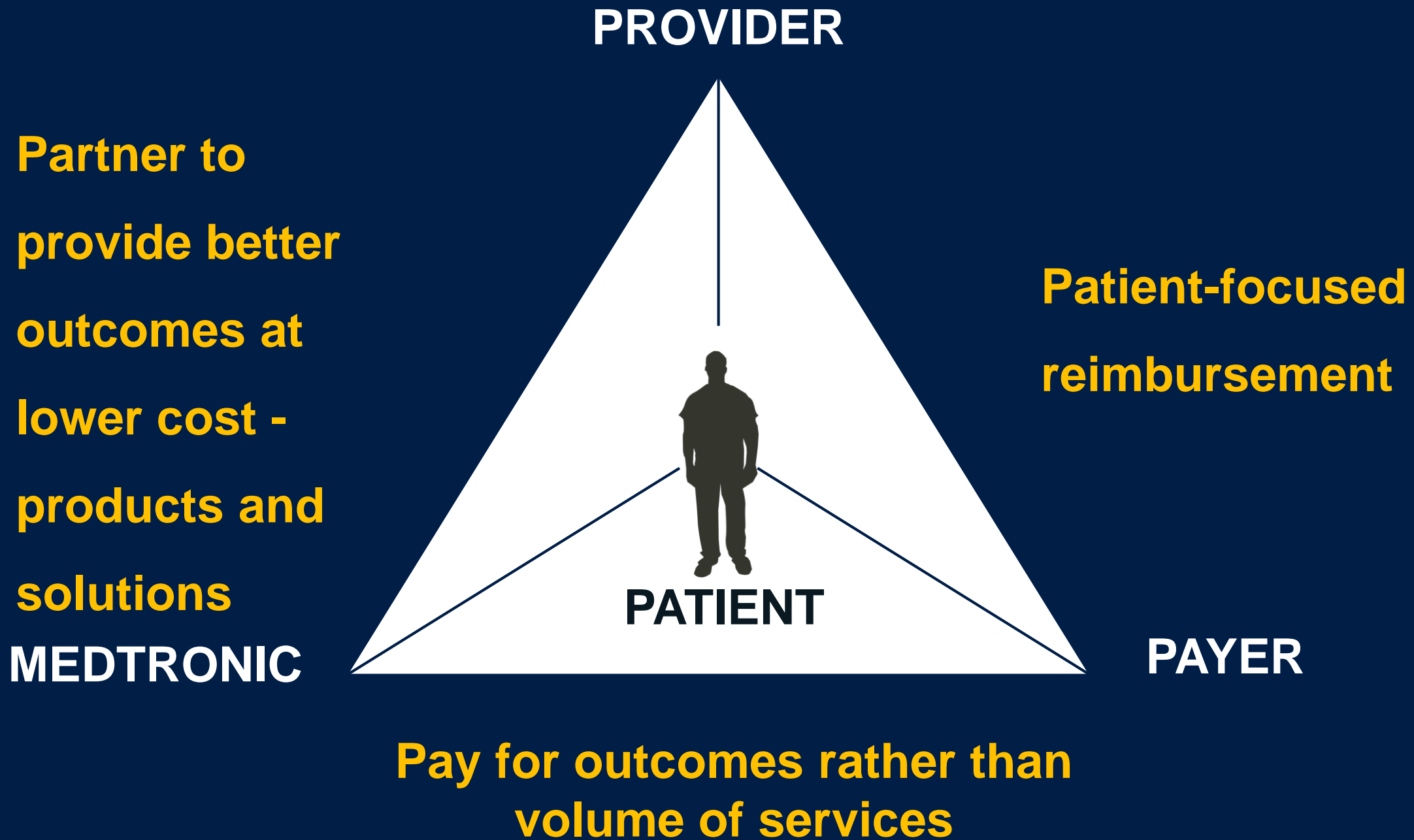


THIS REQUIRES FUNDAMENTAL SHIFTS IN OUR APPROACH TO HEALTH CARE DATA AND STAKEHOLDER INTERACTION

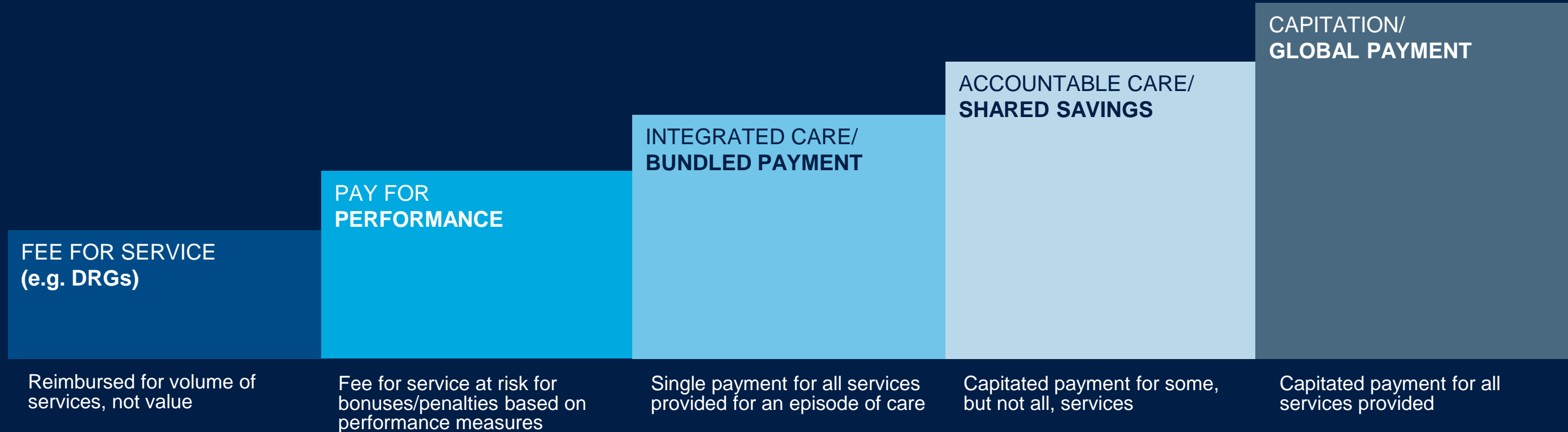
$$\text{Value} = \frac{\text{Patient health outcomes achieved}}{\text{Cost of delivering those outcomes}}$$

DATA

PARTNERSHIPS



REIMBURSEMENT CONTINUES TO EVOLVE IN LINE WITH THIS SHIFTING RISK TO PROVIDERS OVER LONGER TIME HORIZONS

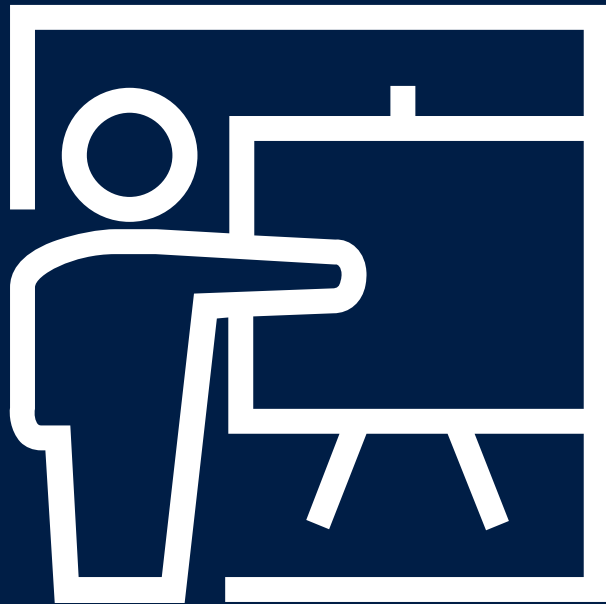


PROVIDERS ARE UNDERTAKING INCREASED RISK FOR QUALITY AND COST OVER LONGER VALUE HORIZON

PAYMENT BASED ON END-OUTCOMES, NOT VOLUME OF SERVICES

PRE-OP

Risk management and patient education



ACUTE

Clinical protocols and standardisation



POST-OP

Proactive case management, remote patient monitoring, and readmission reduction



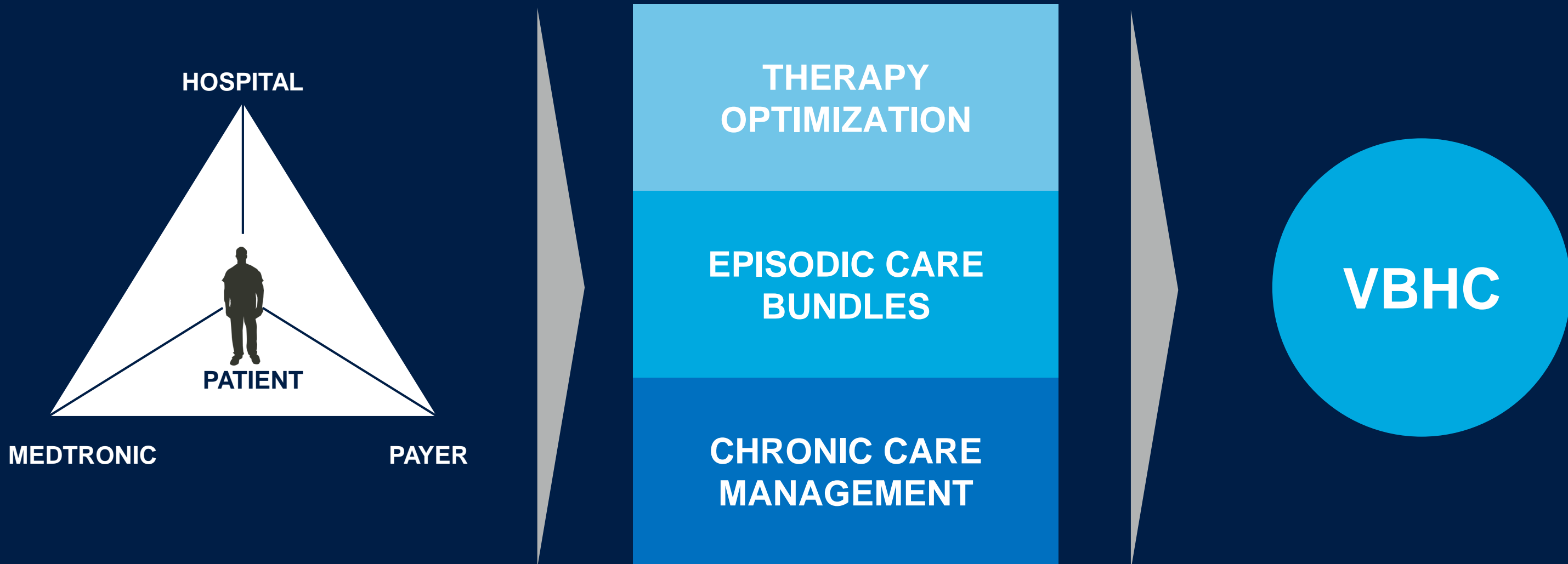
90-DAY EPISODE

OUTCOMES

PAYMENT

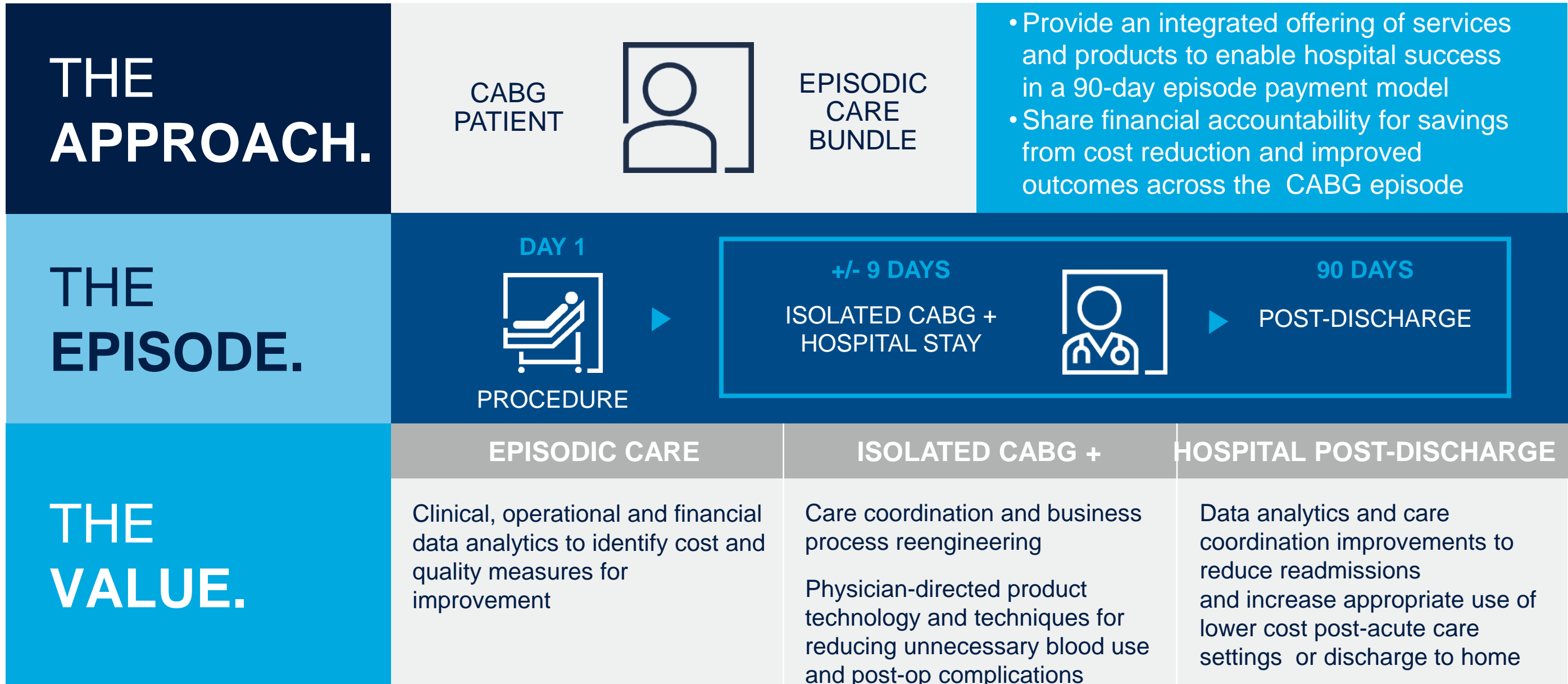
THIS OPENS THE DOOR TO A WHOLE NEW REALM OF MEDTECH INNOVATION

NEW BUSINESS MODELS INVOLVING SHARED RISK ON OUTCOMES AND COST



CORONARY ARTERY BYPASS GRAFT (CABG) MODEL – IN PROGRESS

PROVIDING VALUE ACROSS THE ENTIRE EPISODE OF CARE



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Thank you

