Which Curve Should We Bend?

Population Health Sciences

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In healthcare policy circles, “bending the cost curve down” may qualify as the phrase of the decade. Its more than 1 million web search references are testament to the widespread use of this term that is intended to express a focus on reducing healthcare costs. Yet, it should not surprise anyone familiar with technocratic vocabulary that there is no clear agreement on what the term means.[1] Nonetheless, with healthcare spending nearing one-fifth of the nation’s GDP,[2] the constancy of calls to “bend the cost curve down” is understandable.

Although finding ways to restrain healthcare spending is certainly important, focusing on cost alone is neither sufficient nor appropriate. Calling out costs in isolation may be disconcerting to many stakeholders, including those whose healthcare services or livelihoods rely on this important sector of the economy. Slicing away at high-quality and lifesaving programs for the poor, the young, the disabled or the elderly is short-sighted and unfair.[3,4] Focusing on cost alone ignores the benefits to life and well-being that result from high-quality healthcare spending, even if associated with a high price tag.

For this reason, we call attention to healthcare value and for a national commitment to “**bending the value curve up**.” Value is defined as the quality of the output of an activity over cost to achieve it. For healthcare, this means that value can be defined using the six Institute of Medicine domains of quality – safety, effectiveness, efficiency, timeliness, patient-centeredness, and equity[5] – over resources consumed. Under this framework, low-cost services that do not deliver high-quality results are of low value and high-cost services that lead to great outcomes are of high value. The value framework also emphasizes the need to innovate how we deliver healthcare services that improve value, rather than high-cost inventions that may not.[6,7]

Currently, despite spending $2.7 trillion on healthcare, health outcomes in the U.S. are not consistently good. While pockets of absolute excellence exist, inconsistencies in care and gaps in population-level experiences

and outcomes mean that platinum level spending is pockmarked with widespread tarnish. Research has demonstrated that evidence-based care is delivered only half the time and Americans face far more threats to their safety in the healthcare system than any patient, family member or provider should deem acceptable.[8] The U.S. spends far more than any other country on medical care, yet has life spans shorter than countries spending less. Reducing costs alone will not solve this “paradox of excess and deprivation”[9]; we need to address quality and cost simultaneously.

Bending the value curve up emphasizes stewardship[10] of precious resources by delivering the right care to the right patient at the right time in the right way by the right provider at the right price. By making improvements to the quality domains and avoiding unwarranted costs, we gain more than by focusing on costs alone. No doubt, there are many opportunities to reduce costs by addressing various forms of waste, including failures of care delivery and care coordination, overtreatment, administrative complexity, pricing failures, and fraud.[11] It is important, however, that cost-cutting initiatives are implemented from the vantage point of increasing value. Of course, there will also be those who gain and those who lose in any transformation. While the value proposition is a more holistic one, it is important to remember that activities we label as low-value represent income to someone.[12] Thus, we should not be surprised that even using this framework will not alleviate concerns and objections, but at least we can feel more comfortable that the results of improving value will be more in line with our values as a society.

Shifting to a more positive mantra of “bending the value curve up” should unify us all in pursuing what the Institute for Healthcare Improvement calls the Triple Aim: improved patient experience, lower per capita costs, and better health for populations.[13]

So what curve do you want to bend?

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