Welcome to APTA’s podcast series on value-based care, which explains how value is measured in the provision of health care, and describes different aspects of the Quality Payment Program, including the Merit-based Incentive Program, or MIPS, and Advanced Alternative Payment Models, or Advanced APMs. Episode 2 is What Is Value? To get the most from this episode, you may want to check out episode 1 first.

I’m Heather Smith, APTA’s Director of Quality.

The word “value” is used a lot in talking about health care these days, but what do we mean by it in terms of health care? In health care, value is defined as the health outcomes achieved per dollar spent. Stakeholders, patients, clinicians, and payers should unite around this definition, emphasizing the consumer—to include patients, their families or other care givers—to achieve the desired outcome.

Why is value so important? Health care costs in the United States remain the highest of any developed nation. Changing the payment paradigm from volume to value forces greater efficiency in the health care system; that is, delivery of the highest quality of care, and the best outcomes, at a controlled cost. Implementing a payment structure that examines outcomes and cost will also drive better-informed decisions by the patient, the payer, and the clinician.

Focusing payment on value means changes for all stakeholders. For clinicians, the change in payment structure will require the use of data to better understand outcomes and cost. This means PTs will need to use the data they collect in ways they may not have in the past. PTs generate data through documentation and billing, but typically that data, especially when generated through documentation, has gone unused. One reason is because it is not standardized across the profession. For example, every note, handwritten or electronically captured, is different. This is why payers use cost and utilization data in benefit design: it is standardized and easy to obtain through billing information. However, cost data provides only 1 piece of the value equation. Clinical data is also needed, in order to assess quality.

Assessing the quality of care through clinical measures uses the data generated through documentation to provide the information about the quality of care delivered.

Physical therapists collect information about a patient’s function through the use of such tools as patient-reported outcome or performance measures. For example, by using a measurement tool such as the neck disability index (NDI), the clinician is provided data on change in function during a care episode that can be calculated and potentially generalized to all patients with neck pain that they treat. On a larger scale, if the change in score is collected from a large enough sample through a registry, then a national benchmark for the average change in function on the
NDI can be established. In clinical practice this would allow the PT to know how the change in function of their patients compare with all other neck pain patients seen in the US. PTs who are performing lower than the benchmark may want to look more closely at why—do they see more complex patients, are they using best clinical practice? PTs who are performing higher than the benchmark should investigate what has led to the success and how they can share it with other clinicians.

Having both quality and cost information is critical to understanding value. Being able to provide the quality and cost information to payers, as well as other health care providers, will help others understand the value of physical therapy across the care continuum.

And let’s not forget about our patients. Today, patients do not have information about the quality of our services, and typically they use word of mouth or referrals to find a provider. By generating standardized quality information, we would enable patients and their care givers to make more informed decisions about their care, including which provider might be the best in managing their condition.

Given the fast-paced shift from volume to value-based payment, we are truly in a race to identify the right quality measures to complete the PT value equation. APTA is actively working to develop resources for PTs to better understand the shift toward value and how they can prepare for the future.

Without identifying a set of measures that represent the quality we bring to the health care system, the value equation is not providing complete information about physical therapist services. Thus, to successfully navigate value-based payment, it’s critically important to create quality measures that demonstrate the value of our services and establish benchmarks

APTA is committed to these goals through the Physical Therapy Outcomes Registry. By having the profession collect data on outcomes and performance, we can ensure that we better understand our practice patterns and create measures that best reflect the value we bring to the health care system. The Registry uses data from the profession, for the profession, to help elevate patient care and define the future by providing quality measure data back to PTs in the clinic.

This has been Episode 2 of the podcast series on value-based care. To find all episodes of this series, go to www.apta.org/MACRA/. You also can find these and all APTA podcasts on iTunes by searching APTA Podcasts or by going to www.apta.org/Podcasts/. Thanks for listening.


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