



## Optimising System Value by Innovation & Redundancy

This session is focused primarily on innovation.

When the whole population has a clear understanding of, and a feeling of responsibility for the system of care, they need to think about the system and how it is going to be managed each year.

There have been four leadership and management priorities that have made a significant contribution in the last twenty years and these are listed below

1. Preventing disease, disability, dementia and frailty to reduce need
2. Improving outcome by providing effective, evidence based interventions
3. Improving outcome by increasing quality and safety of process
4. Increasing productivity by reducing cost

These obviously need to continue. However, these have been the activities that have taken place while we have seen the development or maintenance or even increase in unwarranted variation, overuse and underuse so they are obviously not sufficient. In the value era three new activities need to be added to the Leadership Management agenda.

- Ensuring that every individual makes a decision that is right for them, namely personalised value
- Managing and encouraging innovation and
- Ensuring that it is the right balance of resources along all stages of the care pathway from prevention to long term care.

Traditionally payers have resisted innovation because of the short term costs. On the other side of the coin researchers and industry have overemphasised the theoretical "cost savings" from "cost effectiveness" without being clear how these theoretical savings can be translated into resources that can be used to fund innovation.

The new approach adopting the NHS Rightcare has been called hitting them with a carrot namely encouraging clinicians, researchers and industry to innovate but asking them to identify lower value activities.