

## Progress Report: How health systems can advance value-based care

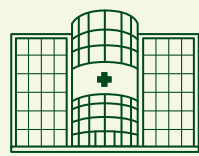
Most healthcare organizations have made value-based care a top priority, yet many health systems and hospitals are missing an opportunity to accelerate success by more fully integrating lab and diagnostic data into their strategic mix. This approach can help systems:

- **Enhance operational efficiency** by streamlining supply chain costs, promoting lab automation, and re-evaluating strategic partnerships
- **Improve test utilization** by analyzing test data, implementing new protocols, and collaborating with providers
- **Refine lab finance** with activity-based costing\* to improve visibility and other tactics that drive more informed decisions around assets



Quest Diagnostics commissioned *Modern Healthcare Custom Media* to survey health system leaders about their progress toward value-based care.

### Large systems (21+ hospitals)



We compared large and mid-sized systems in early and late stages of delivering value-based care, finding encouraging progress—and room for improvement. Review the results to learn how diagnostics can help control costs and improve patient outcomes.

### Mid-sized systems (2-20 hospitals)



## Steady steps despite several barriers

Advancing value-based care is not easy—81% of health systems in late stages report having overcome barriers to progress. Large systems appear better equipped to leverage lab data and avoid key obstacles compared to mid-sized systems.

### Large systems

61%

Currently in the late stages of delivering value-based care



### Mid-sized systems

29%

### Reported barriers on the path to more effective test utilization:

22%

Limited IT resources to build custom reporting and dashboards



38%

19%

Slow provider adoption of using data and guidelines to improve test utilization



40%

5%

Limited budget to improve test utilization



21%

## Large systems augment the patient experience through better test utilization

Among all groups surveyed, many use lab data to improve test utilization and enhance patient care, with large systems leading the way. Yet others struggle, with 20% using lab data inconsistently and another 6% not using data at all.

### Large systems



38%

### Patient engagement

Very to extremely advanced at using clinical data to proactively identify and engage at-risk patients



12%



19%

### Data optimization

Not using or only slightly advanced at using lab data to reduce over- or under-utilization of testing



44%

## Mid-sized systems adopt proven strategies to control lab costs

Managing lab costs and controlling the cost of delivering quality care is an ongoing struggle, yet mid-sized systems show more progress by adopting proven strategies more quickly—which, in turn, should accelerate their shift to value-based care.

### Large systems

66%



Using 1 or more approaches to managing lab costs

### Mid-sized systems

84%

46%



Reducing inappropriate testing

60%

31%



Improving operational efficiency

49%

26%



Increasing use of automation

36%

23%



Integrating education and training programs

38%



Download the full survey report:  
[Opportunities to advance value-based care through diagnostics](#)

## Follow the leaders on the path to value-based care

Health systems and hospitals continue to make remarkable progress toward delivering value-based care, but there's still a long road ahead. The survey shows that today's leaders leverage diagnostic-based approaches—and apply proven strategies to advance the quality and cost of care. While large and mid-sized systems may press different levers to reach their goals, your system can learn from others to find your formula for success.

## Unlock the power of diagnostics for your health system

Leveraging more than 50 years of healthcare experience, Quest Diagnostics is ready to collaborate on your system's journey to value-based care. [Find out how](#)

\* Activity-based costing identifies and assigns the cost of each activity in an organization to all products and services according to actual consumption. In a clinical lab setting, this method enables health systems to identify high-cost tests that can benefit from optimizations, such as increasing automation or outsourcing low-volume tests for greater economies of scale.<sup>1</sup>

### References

1. Declerck B, Swaak M, Martin M, Kesteloot K. Activity-based cost analysis of laboratory tests in clinical chemistry. *Clinical Chemistry and Laboratory Medicine*. Published April 23, 2021. doi.org/10.1515/ccm-2020-1849

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