Contextual factors influencing decisions of value in health: a systematic review and narrative synthesis

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• Synthesis of empirical evidence on contextual factors that influence “decisions of value” in health and care

• Review is first of its kind to consider full range of resource and quality decisions and to synthesise knowledge on the contextual drivers of these

• Evidence base is increasingly substantial in relation to allocative decisions but still disparate and exploratory in relation to technical decisions of value
Context

• There is a gap between funding and anticipated costs, which is estimated at around £22 billion by 2020

• The NHS set the target of delivering 2 to 3 per cent productivity improvements, which is more than double the long-run average

• In 2016 NHS Confederation members survey, 96 per cent of NHS leaders do not think the NHS can make these efficiency savings, which identifies the key challenge in this parliament
Context

• Sometimes it is generally believed that improving outcomes will naturally cost more

• Likewise, reducing costs can be viewed as naturally resulting in a decrease in quality and outcomes

• Public polling suggests that half of people do not think you can increase quality and reduce costs, even though most NHS organisations are attempting to do just that
Decisions of Value

• DH-commissioned project led by NHS Confederation and royal colleges to engage senior clinical and managerial stakeholders

• Set out to understand the factors enabling good decision-making, not to suggest or define what good decisions look like

• Found that significant progress could be made in better understanding relationship, behaviour and environment factors when assessing how to deliver better value from resources
Contextual factors affecting health and care decisions

**Finance and costs**
- Keep within the DH limit
- Balance the CCG budget
- Remain a going concern
- Reduce waste and costs

**Quality and outcomes**
- Meet national waiting times
- Improve local population health
- Exceed performance targets
- Better patient’s health and experience

**National**
- Macro policy interventions and national regulation

**System**
- Commissioning strategies and local health initiatives

**Organisation**
- Choices by boards and staff within provider organisations

**Clinical**
- Interactions between clinician and individual patient
‘Inner’ and ‘outer’

- Draws on Pettigrew’s distinction between inner and outer context to structure analysis of range of factors.

- Inner context refers to factors from within the organisation, for example structure, culture, power and political characteristics. Outer refers to factors external to the organisation, such as industry sector, economic, political and social context.

- This is a handy simplification, although may not be easy to identify in practice, as these boundaries are sometimes permeable (Pye and Pettigrew 2005).
<table>
<thead>
<tr>
<th>Inner context</th>
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<tr>
<td>• Information and analytical resources</td>
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<tr>
<td>• Interest and expertise of internal decision-makers</td>
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<tr>
<td>• Organisational characteristics, e.g. size and performance</td>
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<td>• Governance and leadership</td>
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<td>• Culture, values and norms</td>
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<th>Outer context</th>
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<tr>
<td>• Geographical location and setting, e.g. urban and rural</td>
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<td>• Interests and expertise of external decision-makers</td>
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<td>• Wider economic factors and resource pressures</td>
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<td>• Institutional context and competitive behaviour</td>
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<td>• Payment mechanisms and incentives</td>
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<td>• Relationship to government and regulators</td>
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Contextual factors affecting health and care decisions
Conclusions

• Decisions of value are **not made in a vacuum** and choices will regularly be constrained by strong clinical, financial and political imperatives

• Allocative decisions are often **more ‘rational’** than technical organisational decisions, which tend to be influenced by incentives, penalties and rewards

• Excess reform, regulation and scrutiny can induce response mode or risk-averse behaviour, which **inhibits the ability of decision-makers** to act rationally

• Hostile contexts induce stress, as do factors that increase decision risk and uncertainty, which can see **decision-makers fall back on intuition** and experience rather than rational calculation
Conclusions

• Goals and values of decision-making is often ‘fuzzy’ and the environment in which decisions are made is also usually ‘fuzzy’, which implies a large of degree of complexity
• Complex and contextual decision theory is not new, although it is under-explored in health and care environments, which remains heavily influenced by narrow and normative concepts
• Variety and complexity in decisions of value confounds simple prescriptions for improvements to practice especially considering mediating factors
• Resource allocation, such as on service expansion, staff training, recruitment and public engagement, will only be effective if informed by a detailed understanding of the local context
Conclusions

• Rational decision-making is enhanced where investment in option appraisal and other analyses is greatest, although this should be offset against opportunity costs of investing resources in this area.

• Cost-effectiveness analysis is a good example of this and has been applied with some success to allocative decision-making at a macro level, but remains an expensive luxury at sub-tiers.

• Strong normative case for involving patients and citizens given their voice on how public resources are spent, which derives primarily from their status as intended beneficiaries and experts on quality.