# Glossary of Terms

**ACA** Affordable Care Act of 2010.

**APM** Alternative payment model: one of the value-based payment model options available for those who treat Medicare patients.

**BCR** Benefit-to-cost ratio: an alternative or supplement to ROI, and is calculated as the benefits divided by the costs; can be interpreted as "the benefits per dollar spent".

**Benchmark** A value by which to compare and evaluate results or outcomes.

**Care Delivery Systems** Any organized group that attempts to provide care to individuals; examples include hospitals, clinics, emergency departments, and health systems.

**CBO** Community-based organization: an organization outside of traditional healthcare delivery systems that provides support services that may assist community-dwelling individuals to maintain health.

**CEA** Cost-effectiveness analysis: an economic method to establish the financial justification for a particular activity.

**CLABSI** Central line-associated bloodstream infections: a common quality measure that tracks the rate of this infection in healthcare settings.

**CMS** The Centers for Medicare and Medicaid Services.

**Complex Adaptive Systems** A type of system made up of independent but semiautonomous individuals who interact with each other in multiple ways.

**CUA** Cost–utility analysis: an economic method to establish the cost per quality-adjusted life years that a change in policy or activities would yield.

**Discount Rate** The annual percentage rate used to calculate the present value of future costs or benefits.

**ED** Emergency department.

**FFS** Fee-for-service: a health reimbursement policy by which providers and facilities are paid based on the services they provide, regardless of patient outcomes.

**ICER** Incremental cost-effectiveness ratio: a ratio of the difference in cost to the difference in QALYs in a cost-effectiveness or cost–utility analysis.



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**ICU** Intensive care unit.

**Implementation Science** A field that endeavors to understand how innovations or changes are best implemented and sustained in healthcare delivery systems.

**MACRA** The Medicare Access and CHIP Reauthorization Act of 2015, which mandated the creation of an incentive program for providers where reimbursement was in part based on performance on quality measures.

**Moral Hazard** The tendency to either engage in more risky behavior or consume more healthcare services because of the presence of health insurance.

**Net Benefits** Benefits minus costs.

**Payback Period** The time until costs are covered by accumulating benefits.

**Perspective** The selected point of view for a given ROI analysis.

**Population Health** The health status and outcomes of a group of people instead of that of an individual.

**QALY** Quality-adjusted life years: a calculation of the total survival time adjusted to reflect the quality of life during that time.

**Reliability** An indication of how well a quality measure can detect differences in quality between entities.

**ROI** Return on investment.

**Savings Per Patient** Net benefits per patient affected.

**Scope** The selected time frame and affected population for an ROI analysis.

**TPHO** Third-party healthcare organization: a perspective that includes device, med-tech, and pharmaceutical companies and community services, including community-based organizations.

**Validity** An indication of how well a quality measure reflects the concept it is attempting to measure.

# Index





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