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EDITORIAL

PUBLIC-PRIVATE PARTNERSHIPS IN HEALTH

Dr Bouti Khalid, MD, Dr Borki Rajae, MD.
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Email: khalidbouti@mbmj.org

The current importance of public debt requires governments to increasingly shift towards Public-Private Partnerships (PPPs). They are long-term contracts of private financing method providing or contributing to public service. The payment is made by the public partner and/or users of the service.
The World Health Organization (WHO) defines this type of partnership as ‘‘a means to bring together a set of actors for the common goal of improving the health of populations based on mutually agreed roles and principles.’’
Historically, the principle of PPP was established by the Private Finance Initiative (PFI), launched by the conservative government of John Major in 1992. It was from this moment that this model quickly spread to the rest of the world. In the mid-90s and from Australia, PPP agreement began to become part of the language of governments. In 1997, Labour with Tony Blair leading, strongly developed this management method, first and particularly in hospitals and then, in the entire public sector and spreading to the Royal Navy. Today, 10-15% of British public investments are made using PFI method.
Ethically, four principles must be respected according to the WHO: 1/ the beneficial intent in terms of public health, 2/ non-malicious intent (not to be the cause of health problems), 3/ autonomy (of all partners), 4/ equity (partnership should bring benefits to the people who need it most).
Several PPP classifications can be used: 1/ according to the level of intervention, local, national, and international. 2/ According to their goals, such as improving direct access to medicines, research and product development for health, or strengthening health systems and the global and financial coordination. 3/ According to their institutional forms, such as steering by an elite committee (board/conference), by NGOs, quasi-public corporation or private corporation.
Globally, there were several examples of successful and innovative PPPs:
An example of the installation of reference centers is that of Nya Karolinska Solna university hospital in Sweden. This was the first PPP project in Sweden and Scandinavia, made using PFI, and continued over 25 years. Karolinska Institute is considered the best non-US medical school in the world (ranking 9th), and it is also the body which awards the Nobel Prize in Medicine. The motivation behind this project was that the construction of a new hospital is more cost effective than renovating the old one, it will also better meet patients' needs while transferring risk to the private sector. The result would be a very flexible hospital that can meet the needs for 50 years, and will be the largest hospital in Europe and the most high-tech in the world. It will cost 5 billion euros, and will be spread over 103,000m² which includes 8000 rooms, 800 beds, 125 ICU beds, 36 operating rooms, 100 hotel rooms, 2 helipads, 12 floors, and will treat 1800 patients a day [1].
A second example is the installation of a comprehensive health system in the town of Alzira (250,000 inhabitants), including 1 university hospital (300 beds, 13 units, 22 resuscitation beds, and 1,850 employees), 4 integrated hospitals and 44 primary health care centers. Among the conditions, we find that the public sector pays a fixed funding of 535 euros /capita/year (with risk transfer), while giving freedom of choice to the patient. The private sector is responsible for infrastructure and equipment (160M), management of primary and specialized centers (60M), while ensuring complementarity and user-friendliness in performance. The Alzira model currently works better than the public sector, with low cost because the public contribution is 25% lower than the average contribution in Valencia. It has allowed the elimination of waiting lists, in addition to higher productivity, accessibility, flexibility,

speed in management of patients, satisfaction, and good management of human resources [2].

The third example illustrates the association of private/public services. It is the Joondalup Health Campus in Perth, Australia, which started in 2013 and which -according to the contract- will meet care needs for over 60 years. It works on the principle that secondary and tertiary medical care fully reimbursed by insurance should be provided by private services installed in this public hospital. Medical staff that works in the Joondalup Health Campus belongs to the public hospital. The installation cost was $229,8 million, with an annual operating cost of $345 million. The campus includes 451 public beds, 145 private beds and 2700 employees. This operating system helped introduce more specialties (therefore, became a general hospital), and ensure more efficiency for almost the same cost of a public hospital (less than $6 million/year), 93,000 emergencies, 66,000 hospitalizations, 26,000 surgeries and 3,200 births are registered annually [3].

The fourth example is the costly installation of technology and research, such as proton therapy centers launched starting 2007. Research centers should first be part of first-line cancer hospitals. They are centers that provide a strong radiotherapy, accurate, and selective against cancer cells and protecting healthy tissues (better efficiency, less side effects and fewer complications). The cost of installation is over 125 million euros for an average area of 10,000m², in addition to the cost of operability. The PPP allowed the creation of several centers in the world: USA, France and Germany. These contracts involved construction, equipment and operation of these centers of which there are more than 35 in the world today. The public sector benefits from these centers through exchange for hourly rental [4].

The last example concerns the development of e-medicine, like the national portal of telemedicine in Denmark (www.sundhed.dk). It is a medical portal for the general public, patients, professionals, and hospitals. It includes electronic medical records of the Danish population, and it allows e-consultations, e-transfers, e-communication, e-prescription, etc. The private partners are companies specialized in IT. They have developed this project, which allowed the reduction of the cost of medical communications / insurance of 2.3 euros / message (letter, record…), reduction of 66% of phone calls from hospitals, reduction of 50 minutes of medical time per practitioner, transfer of 100% of prescriptions, and the transfer of 97% of requests for analysis, and 84% of reports. Finally, this project had a public budget savings of 60 million euros/year, in addition to indirect gains such as preventing of hospitalizations for errors of prescription [5].

PPP in the field of health is a functional method of cooperation, an innovative approach to financing public projects, allowing risk sharing and early completion of projects while ensuring job creation and quality of implementation.

The purpose of a PPP project is to create a win-win situation where the public sector, private sector and patient are always winners.

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