

# GOOD, CHEAP AND FAST;

## BUT FOR HOW LONG?

Text by Dr Wong Tien Hua



I recently came across a restaurant entrance which had a sign that looked like the above.

Like all great sources of humour, there is a lot of truth behind the statement that is presented to us so simply yet eloquently. Let us look at the three combinations in turn.

Starting from the bottom, the third combination of "fast and cheap but not good" is akin to fast food restaurants offering quick meals for the masses at a low price. Hungry patrons want a quick and affordable fix to fill their stomachs, and do not really care for personalised service or customised meals. Fast food is also not "good" food because very often, quality is compromised by using foods that are processed and high in sugar, salt and fat, and also by employing unhealthy methods of preparation, such as deep frying.

The second combination "good and fast but not cheap" refers to high-end restaurants that provide personalised service and unforgettable dining experiences. They are able to offer patrons fast and prompt service

through an army of attentive staff – possibly because of an ideal waiter-to-table ratio. The food served is of a high quality and no attention to detail is spared in the selection, preparation and presentation of each dish. Needless to say, such premium service and quality comes at a hefty price. For most people, visits to such restaurants are reserved only for special occasions.

The combination "good and cheap but not fast" brings to mind the image of long snaking queues seen at the Michelin-starred hawker stalls. The day after the Hong Kong Soya Sauce Chicken Rice and Noodle stall in Chinatown was awarded a Michelin Star in July 2016, famished customers queued almost 90 minutes to get their coveted meal! Stalls such as these take pride in the food that they serve and usually offer them at an affordable price. The problem is that everyone in this town loves cheap and good, and once one gets wind of such a good deal, it does not take long for word of mouth to draw the crowds.

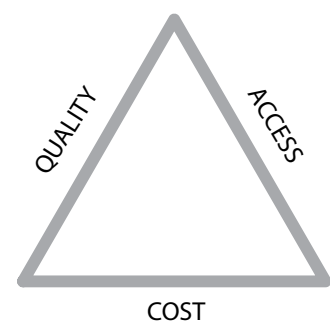
You can easily understand how different types of food establishments cater to different market segments. They

are all viable business models as long as patrons visit with the *right expectations*, whether to endure poor service, to pay a hefty bill, or to stand in a long line for their turn.

Let us now take a look at the case for healthcare.

### The iron triangle of healthcare

The concept of the "iron triangle of healthcare" should be no stranger to you as it is often cited. Introduced in 1994 by Dr William Kissick of Yale University, it depicts the three competing issues in healthcare: quality, cost and access. It dovetails with the previous restaurant analogy, where we seek to achieve the ideals of "good" quality, "fast" access and "cheap" cost.



The iron triangle is about intrinsic trade-offs in the healthcare ecosystem; trying to improve any one or two of the components would come at an expense of the third. For example, if one tries to improve quality or increase access, it would mean higher costs.

Healthcare in the public sector is of good quality and highly subsidised, but it is traditionally besieged with long waiting times for patients accessing such

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Illustration: Dr Kevin Loy

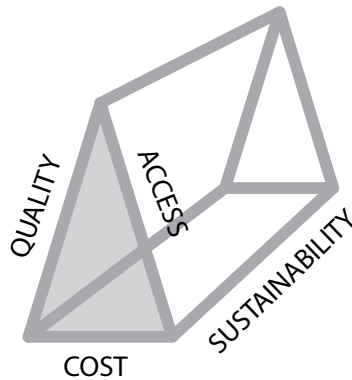


care. Private healthcare is fast to respond to demand, with typically short waiting times, and provide highly personalised services, but it comes at a price tag that most patients are unwilling or unable to pay. The third combination, “fast and cheap but not good”, is best avoided because in healthcare, no one really wants poor quality – especially when it means that patient safety would be compromised.

### Sustaining the triangle

The term “iron triangle” was perhaps unfortunately chosen because it creates a visual image of a solid structure, using an *equilateral triangle* that gives equal allocation to the three components that cannot be changed, like a rule of law that cannot be broken. What we really ought to do is to regard the shape as malleable, and to try to shorten the base that represents cost, changing it to an *isosceles triangle*. The more the base is reduced, the taller the triangle becomes, the better for the system.

In addition, this triangle representation is inadequate because it is only a snapshot of the healthcare system at any given time, much like a cross-sectional study of a population; you cannot tell if it is getting better or worse. It is equally important that improvements made in healthcare to achieve the ideal state should last *over time*. We therefore need to introduce the additional component of *sustainability* when we engage in any discussion about healthcare economics.



Singapore’s healthcare system rates quite highly by international standards today. We are able to provide good quality and accessible healthcare, achieving the highest rankings in healthcare indices (such as life expectancy), while spending only a low percentage of our gross domestic product. In fact, improving accessibility, quality and affordability of healthcare for Singaporeans were the key elements of the Ministry of Health’s Healthcare 2020 Masterplan which was launched in 2012.

The challenge that we now face is whether we can continue to maintain this happy state of affairs in the years to come. Can our system be *sustainable*?

In the Committee of Supply Debate 2016, Minister for Health Mr Gan Kim Yong said that Singapore has to move beyond providing quality to enhancing value in order to keep our system sustainable. He said: “our healthcare budget has more than doubled from \$4.7 billion in [financial year] FY12 to

\$11 billion in FY16. This has come about partly because of ageing, and the need to invest in infrastructure, but also because of the Government’s policy shift to take on a greater proportion of healthcare costs.” Indeed, the warning alarms for the oncoming silver tsunami have long been sounded, as we face an ageing population that would inevitably raise the cost of healthcare delivery if we do not respond in time.

Our system needs to transform, for example, by shifting emphasis from hospital-centric care to community-based primary care, and by harnessing new technology that empowers patients to take a more active role in their own health, and to choose care that is appropriate to their needs.

In this respect, I believe that patient education and empowerment will play a key role in the next stage of healthcare transformation.

### Self-service

We can see how technology is changing the way we do things in places we frequent, such as supermarket counters and airport departure halls. All major supermarkets now have self-checkout counters where customers can scan, pack and pay for their purchases by themselves. NTUC FairPrice even has a scan-and-go system where you use a portable barcode scanner to scan each item that you pick up along the aisles, thereafter making payment at the dedicated counters. We now routinely pay our bills online or at the nearest AXS stations that operate round the clock. We also purchase tickets for transportation and movies, postage and food from automated machines of all shapes and sizes.

In August last year, a 24-hour food vending cafe called Chef-in-Box was launched in Sengkang, allowing residents to purchase hot meals through vending machines at any time of the day. At the airport, we can check-in for flights on our own by scanning our passports to print our boarding passes, collect the luggage tag printouts and drop our check-in bags at dedicated counters. We then use our passports and fingerprints to clear automated immigration systems.

All these innovations reduce manpower costs, help solve the labour

crunch and significantly shorten the time we spend waiting in a queue. We are adapting to the idea that “self-service” can be just as good as traditional models of service delivery — sometimes cheaper, but very often faster.

We are also beginning to see examples of how the use of healthcare technology can empower patients in “self-service” (ie, helping themselves). Technology has the potential to both disrupt and transform healthcare. A drug vending machine placed

in the vicinity can impact a clinic’s revenue, but it allows patients round-the-clock access to certain urgent medications. However, healthcare is more complicated than purchasing food or settling bills on a machine. Patients need to have a certain amount of healthcare literacy to be able to navigate the world of medicine. Thus, they need to take more personal responsibility in educating themselves. This will be the topic of another article — watch this space. ◆

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