Bridging the Gap

– Uniting the Public and Private Healthcare Sectors

By A/Prof Chin Jing Jih

I have often been amused and yet troubled by the common view that public and private healthcare sectors exist on different planets. It was therefore alarming when this view was similarly held by a fourth year medical student whom I spoke to recently. Such a perspective is absurd because, to begin with, medial practitioners in both sectors subscribe to a similar set of professional values and ethical principles. They work in premises that are regulated by the same set of licensing laws, the Private Hospitals and Medical Clinics (PHMC) Act and PHMC Regulations (which apply to restructured public healthcare facilities as well). National health crises, such as the SARS epidemic in 2003, and the scourge of type 2 diabetes and its complications, have shown that such divisions are meaningless to diseases and microbes, and in the context of national health, nothing short of a combined effort by all is needed to overcome these massive challenges. Although one may argue that there are real differences in terms of service delivery models and financing policies, there is much overlap these days in the management philosophies and tools adopted in both sectors. A common set of professional values and ethical principles has also helped to narrow any perceived dichotomy between the availability of healthcare as a social good versus a commercial commodity.

At a conference on ageing and silver industry that I attended several years ago, participants freely shared their views on why successful public-private partnerships in healthcare are slow and hard to come by despite a common recognition of their potential benefits. One participant, who had the experience of working in both sectors, raised the point that both public and private providers have intrinsic styles that can complement each other in partnerships. He surmised that public providers tend to be highly mission-oriented but often fail to watch financial indicators closely, which often leads to problems of long term sustainability. On the other hand, private providers are generally very lean in their operations, but tend to be flexible in their business strategies in an attempt to meet financial targets, resulting in significant deviation from the original nonmonetary missions of the projects. He concluded that partnerships may allow both parties to complement and learn from each other, thereby keeping a balanced watch on both mission and financial sustainability. Given the complexity of today's healthcare problems, and the diverse competencies and organisational strengths required to manage them, such synergistic partnerships are necessary and certainly worthy of exploration.

A recipe for successful partnerships

If we accept that such partnerships are not only mutually beneficial, but realistically possible, how then can interested stakeholders go about identifying opportunities? What are the necessary ingredients to promote such collaborations?

There must first be a common recognition in both sectors that while practitioners and healthcare organisations may have had many comfortable years of independent existence, the old model alone will soon be inadequate to solve the many healthcare challenges of a rapidly ageing population. There is a need for change, and both sectors need to acknowledge the imperative to think out of the box to create synergies that are mutually beneficial, and ultimately contribute to the health of Singapore residents. A pragmatic approach involves dropping the "us *versus* them" mentality, and switching to a mental model of "us *and* them", or even better, a "we together" orientation. Inevitably, some old dogmas and long-held biases will have to be cast aside and be replaced by an open attitude and fresh insights into one another's work.

For a start, potential collaborators from both sectors need to have a better understanding of each other's unique constraints and challenges. Many public providers have little appreciation, for instance, of the difficulties private providers face when subjected to the uncertainties and unforgiving forces of the market, like in overheads such as clinic rentals (or mortgages), facility costs and staff salaries. On the other hand, private providers tend to see their public counterparts as being "spoilt" by a cushy and protected practice and business environment, while failing to empathise that in addition to health and service indicators, public providers face constant pressures from the many and varied social and political missions intrinsic to their role. The failure to achieve these fundamental insights about each other will lead to unfair stereotyping that hinders collaboration and kills off partnerships before they can even begin. Conversely, successful partnerships will require a deeper appreciation and acceptance of these constraints and a willingness to work together to complement each other.

Inevitably, as in any "intimate" engagements involving shared purpose and commitment of resources, mutual trust becomes a key enabler to successful partnerships. Trust at both organisational and individual levels is essential in forging an effective and productive relationship between two parties. History has shown that many partnerships by distrusting parties tend to lead to failure due to the amount of resources needed to attend to the cumbersome checks and balances. A baseline level of trust is therefore necessary to get started, and as trust grows with familiarity and active nurturing, the checks and balances can be reviewed to enhance the efficiency of the project. As mentioned earlier, discarding mental baggage and stereotypes is an crucial start to a successful partnership. Both parties need to be willing to co-own the objectives and accept their respective roles in the project. As in any relationship, transparency and honesty as a basic operational modus operandi helps to grow trust. As these partnerships are ventures out of the usual comfort zone, calculated risk taking is inevitable. Trust-building policies should therefore be built into the structure of governance and accountability in these partnerships. Trust can also be enhanced by fair and reasonable distribution of risks, burden and success, whose frameworks should be best negotiated at the start of the partnerships.

A cat that catches mice is a good cat

One of the questions often raised about public-private partnerships is whether success in the partnerships is measurable, and if yes, what would be a rational methodology. Detractors of public-private partnerships have often cited differences in goals and targets as a key reason why a common interpretation and definition of success is almost impossible. But such a view ignores the fact that with innovative design, different goals can coexist and be aligned in a project as long as there are no serious and fundamental conflicts in the philosophies and approaches of the partners. Perhaps success in such partnerships needs to be defined and framed at different levels. At the highest level, both parties will expect to meet the preagreed goals of collaboration. But at a different level, success can also be measured by the extent to which the partnerships are able to enhance the competency and experience of either party in future ventures, though I suppose novel methods will have to be designed to reflect such benefits.

Public-private partnerships, as an innovation, should also avoid restricting themselves to any particular model or domain. As former Chinese leader Deng Xiaoping once famously pronounced, a cat that catches the mice is a good cat. Similarly, any model that works is a good model, as long as it is not in violation of principles of medical and business ethics. Therefore, the partnerships do not have to be a traditional model of co-ownership of projects' clinical or business operations. What is more essential is a co-ownership of the clinical model and a common accountability for the desired patient outcomes via a financially and politically sustainable model. Partnerships can also take the form of facilitation and support for practices that will contribute to the desired outcomes. They can also take the form of commissioning relationships that go beyond those between routine service buyers and providers, and to those that are more aligned in terms of the larger missions and visions. Partnerships should also extend beyond service provision to include collaborations in education, research and technological innovations, where again, the public institutions, academia and industry sponsors all bring different strengths and value propositions to the table to benefit all stakeholders and the healthcare system.

Policymakers, health economists and healthcare providers now share a common awareness and conviction that primary care holds the crucial key to solving many of today and tomorrow's healthcare challenges. Data released by the Ministry of Health for 2010 showed that a staggering 45% of attendances for chronic conditions took place in the polyclinics, where only about 20% of the nation's primary care doctors are practicing. The need for involvement of doctors from the private sector is more than obvious. The possibility of public-private partnerships in primary care as a solution to address this discrepancy was discussed at a forum in the recent Singapore Health and Biomedical Congress, where I was invited to participate as a moderator. The discussion was lively and earnest, and invited views and comments both from the panel and questions from the floor. In some ways, Singapore needs to design its own model of collaboration as unique local environment and factors mean that there are hardly any foreign models that we can duplicate. Nevertheless, during the forum, there was a sense that much more can be achieved via such partnerships. Participants from both private and public sectors also expressed optimism at several policy innovations recently introduced by the government that are anchored by models of public-private partnerships. These include the Community Health Assist Scheme (CHAS), Family Medicine Clinics (FMCs) and Community Health Centres (CHCs), which represent different models of partnerships. These programmes reflect a major change in the policymakers' perspective and strategy – that our healthcare system will benefit from a strong primary care sector which is effective in managing cost and enhancing quality of healthcare. The fact that the majority of primary care doctors are in private practice is no longer a relevant point, as long as they contribute to achieving key outcome indicators. There should be no discomfort that private GPs benefit professionally and financially from these partnerships. In fact, we should be glad that they are successful, for these are rewards well deserved if patients ultimately benefit from healthcare that is more affordable, accessible, better and safer.

As a profession, we must accept that the fundamentals between the public and private healthcare sectors are more similar than different, and to keep framing the landscape in terms of competition and an "uneven playing field", rather than partnerships and collaborations will only be counter-productive for all, particularly the patients that we serve. Public-private partnership may in fact be the key to unlocking the many challenges that we are facing – misdistribution of primary care doctors and patient load, ageing population and a less developed intermediate and long term care sector.

> ***A pragmatic approach involves dropping the "us versus them" mentality, and switching to ... a "we together" orientation.***

One of the roles that I have always hoped for SMA to play is to be an effective bridging platform for practitioners from the public and private sectors. With our membership comprising doctors from both sectors, SMA is strategically poised to bring together interested parties to work together for the good of Singapore healthcare and to support policies and innovations that will create win-win partnerships for public and private healthcare providers in Singapore. Over time, it may no longer matter to patients which sector the providers are from. The only relevant consideration is whether they can provide quality healthcare at affordable cost, an expectation that may be more adeptly met via hybrid public-private healthcare enterprises. SMA

A/Prof Chin is President of the 54th SMA Council. Like most doctors, he too has bills to pay and mouths to feed, and wrestles daily with materialistic desires that are beyond his humble salary. He, however, believes that a peaceful sleep at night is even more essential.