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ROUNDTABLE IN PARIS
From the Eiffel Tower to “health in Europe 2020”
Special Report
How could we provide better healthcare services, in a more demanding context, without compromising the sustainability of our health care systems? This is a complex challenge that Europe is facing today, driven by demographic changes, a dramatic increase in chronic diseases, the need for more specialized skills and expensive new technologies and the citizens’ demand for higher level care. Feeling this pressure, there is a consensus that Information and Communications Technologies (ICT) will play a major role in creating affordable, less intrusive and more personalized care, ultimately, increasing the quality of life as well as lowering mortality. That is why eHealth is today a major concern for all major stakeholders in the Health European context and, necessary, a major concern for Private Hospitals. In the domains of eHealth, Europe is moving fast, under the control of the new eHealth action plan 2012-2020, that expresses the political and technological guidance for this domain. Important transnational projects are being implemented. The epSOS project, a first step to address the interoperability of patient summaries and electronic prescription at an European scale, the relevance of ICT in the directive 2011/24 on the application of patients’ rights in cross-border healthcare directive and all the initiatives concerning the use of technology in new projects of “Ambient Assisted Living”, targeted to older citizens, are only a few examples of changes occurring in Europe. Having in mind today’s importance of eHealth and its relevance to private hospitals, UEHP is working harder in this domain, in order to protect private hospitals’ interests and views. An important result of this effort is that UEHP is now a selected member organization of the eHealth Stakeholders Group that was created by the European Commission in the beginning of 2012. To support this participation but also to address the eHealth issues in a more reliable way, UEHP created a Health Working Group that has already gained momentum and that aims to address three major concerns: 1. To maintain a permanent knowledge about what is happening in terms of eHealth in Europe and of how this can relate to the interests and needs of Private Hospitals; 2. To contribute to the European eHealth Roadmap, providing visions, opinions and written contributions to the definition of eHealth policies, infrastructures and legislation; 3. To provide information and guidelines about the adoption of eHealth solutions by private hospitals, particularly in terms of global interoperability and integration. Following several conference call meetings and given the opportunity provided by the last UEHP Council Meeting, in Paris, the UEHP eHealth Working Group met physically. This group meeting was an important opportunity for members to better know each other, to share national eHealth views and experiences, to validate and improve the eHealth presentation to the UEHP Council Meeting and to prepare upcoming activities. Members from different countries (Belgium, France, Italy, Portugal and Spain) are already giving important contributions to this process and participations from Poland and Germany are expected during the next meetings. Other countries are strongly encouraged to contribute and to integrate the Working Group, in order to build more reliable and representative initiatives. In the near future, the group will maintain regular conference call meetings in order to address the three defined goals, which were mentioned earlier. For instance, the group will prepare the next EC eHealth Stakeholders Group, which will take place in late September. It will also elaborate a candidate document to express UEHP views and concerns regarding the eHealth implementation process in Europe. This document intends to assist UEHP actions at a European level, to support member’s national efforts and initiatives and to provide eHealth related information to private Hospitals. Because eHealth is nowadays a critical subject, the Working Group will certainly work with enthusiasm to support private hospitals in this domain.

The strategic importance of eHealth

In 2020 the health and health care of our citizens could look quite different. We find ourselves today on the threshold of a new era with many opportunities for radical improvements in the way we manage and receive health care.

(Original E-Health Task Force Report, May 2012)

PRIVATIZATION INCREASES EFFICIENCY

The study “Changes in hospital efficiency after privatization”, by the Hamburg Centre for Health Economics (HCHE), investigated the post-acquisition effects of privatization on hospital efficiency in Germany and concluded that privatization of public hospitals increased the efficiency of those units significantly. The authors, Dr. Oliver Tiemann and Dr. Jonas Schreyogg found that the efficiency gains through a reduction in personnel and material inputs per hospital have been achieved. And without compromising quality of care. The study also shows that hospitals converted to private for-profit status showed an increase in efficiency after privatization that was significantly higher than that realized by their non-privatized counterparts over the same period. And that this result did not appear to be transitory.

UEHP INTEGRATES HFE TASK FORCE ON PATIENT SAFETY

EU policymakers should strengthen the standards for patient safety in Member State healthcare systems, adopt measurable improvement targets for Member States on patient safety and develop a European strategy to combat the incidence of healthcare associated infections, according to Health First Europe (HFE) Recommendations on Patient Safety, launched in April with the collaboration of UEHP, which integrates the HFE task force in this domain. Paolo Giordano, Barry Hassel and Averardo Orta were the UEHP representatives, during six months, in this Patient Safety task force, comprised of representatives from patient groups, healthcare professionals, hospitals, academics and industry. The recommendations of the Task Force take account of the various constituencies involved in protecting the safety of patients in healthcare settings.
With a view to providing public authorities and market operators with legal certainty on the application of State aid rules, in 2012 the Commission adopted a new set of legal instruments, known as the SGEI Package, clarifying the circumstances in which State aid granted for the financing of a service of general economic interest is compatible with the Treaty. The New Package addresses the shortcomings resulted from the application of the 2005 Decision: lack of certainty and transparency; absence of any effective ex ante or post control; limited reporting obligation; and deficient implementation of the package by Member State and local authorities. For the first time it includes also efficiency criteria to promote fair competition within the Internal market. Nevertheless the Package’s positive impact is limited because the healthcare sector - as well as others identified as being social or local in nature - is excluded from the application of the new provisions. At this regard, the Commissioner Almunia, on the occasion of a meeting with the UEHP Delegation, underlined the importance of simplifying the system, focusing on services with a huge cross-border impact. This trend is confirmed within the recent Commission Communication concerning the State Aid modernization, where the emphasis is once again on cases with the biggest impact on competition in the internal market.

For that reason the UEHP in several submissions to the Commission insisted on drawing the attention of the European competent authorities to the progressive development of a real internal market in health services, destined to enlarge its impact on the exchanges between Member States, also in consequence of the implementation of the Directive on the access to Cross border Health care, promoting patient, health professionals and capital mobility. As a matter of fact, the healthcare sector represents a significant portion of Member States’ budget and tax payers’ money across the EU. By consequent, we are facing a structural issue and at this regard the UEHP intends to submit a few remarks and proposals in the perspective of the application and mid-term revision of the new legislation.

In all our countries the application of the SGEI system is characterized by de facto unlimited and uncontrolled aid, systematically covering public hospitals’ deficit, triggering over-compensation, cross-subsidization, and discrimination against private hospitals, with cumulative negative effects across the European healthcare sector as a whole. Moreover, pursuant to the EU regulatory framework, providers are now allowed to compete for patients who apply for cross-border services. Against this background, it is clear that any distortion of competition at the local level may well affect the entire European market for such services. As a result, not only the Internal Market, but first and foremost consumers risk to be damaged by the lack of an effective competition among providers aiming to improve quality and efficient delivery of services. At this regard it is important to underline that in most cases private hospitals are providers of services of general economic interest to the benefit of patients across the EU, performing the same services as public ones. In this perspective, the UEHP supports the extension of efficiency consideration to projects others than large commercial aid, considering that healthcare sector is a large portion of GDP and overcoming the undemonstrated statement that a European healthcare market does not exist. Relating to the possible distortion of competition, in our opinion it is essential to improve transparency via effective reporting system, compliance with the transparency directive, and open central register for any aid. Consequently, the reports by Member State have to guarantee detailed and truthful information to verify that SGEIs package is correctly implemented. Where the Commission finds that the aid is incompatible and the Member State authority has not fully complied with the obligations set out in the new SGEI Package, it is necessary the adoption of remedy or commitment applicable to individual aid or schemes within the healthcare sector.

Fundamentally, the position of private sector is consistent with the main objective of the New Package, as we aim to contribute to making services of general interest more efficient, because through an economic crisis as the current, the taxpayers’ money must be carefully spent and the ratio costs-benefits should be optimized. By consequent a clear Community legal framework is essential in order to guarantee welfare values, such as equity, quality, and access, by means of sustainable and competitive healthcare systems. Within the above mentioned Communication, the Commission declares the purpose to consult Member States and to engage in an open dialogue with the European Parliament and other stakeholders, with a view to gathering input for a debate on the State aid modernization. We remain committed to providing a constructive support to the Commission activity aiming to improve the current system to the development of a more competitive, transparent, efficient, non-discriminatory and accountable SGEI system in the European healthcare sector, ultimately to the benefit of patients, doctors, providers and Member States across the EU.
Because no one doubts that the cross-border directive is strategic to the future of healthcare in Europe, Gabriel Uguet, Jean-Noël Godin, Piotr Gerber and Paolo Giordano, representing the UEHP, had a meeting with DG Sanco, where they had the opportunity to present proposals and find ways to collaborate.

Representatives from DG SANCO, led by the director Andrzej Rys, explained some important developments regarding medical prescriptions, information to patients, prices and reference centres. The prior authorization concept has also been stressed. Some Member States (Italy, Spain, Scandinavia) have already put into place some reference centres already recognized by the EC. Representatives from DG SANCO also underlined that, in 2015, the EC will publish a report on the application of the Directive.

As for the UEHP, its representatives noted they were committed to send information about the private sector, especially regarding the international groups and their place in the European market; they offered cooperation in the domain of quality and spoke about the UEHP label project; the UEHP also advised DG Sanco to send a recommendation to Member States in order to respect the obligation to publish public hospitals budget, which was accepted; and suggested the organization of a conference on best practices concerning patients mobility, an idea also well received and which should take place before October 2013.

• AGENDA •

3rd GLOBAL MINISTERIAL SUMMIT
OCTOBER 24 | FLORIDA

Dr. Erich Sieber will represent the UEHP at this meeting, integrated in the 5th World Medical Tourism Congress (October 24 – 26). The event will gather Ministers of Health, Tourism and Economy as well as Trade Commissioners, Consul Generals and VIP international officials who will share best practices in order to further promote medical tourism to their countries. Ministers from over 50 countries will share information about existing programs, and they will have the opportunity to develop initiatives, to gather ideas to improve existing programs and to create new ones as well as to design strategic alliances that generate revenue and improve the medical care in their respective countries.

HEALTH 2.0 EUROPE 2012
NOVEMBER 6-7, 2012 | BERLIN

Health 2.0 Europe 2012 will take place at the same historical venue, the Langenbeck Virchow Haus. It is about patient-physician communication, system reform, data, analytics, population health management, personalized medicine, sensors/devices/platforms, wellness… It’s also about start-ups leading the way into the future of healthcare!
Several representatives of European private hospitals exchanged recently ideas in the City of Light in a roundtable organized by the European Union of Private Hospitals (UEHP), entitled “Health in Europe 2020”. At the foot of the Eiffel Tower, and facing a European health market, in profound mutation and still very divergent, due to the different models of national organization, the Directive on cross-border healthcare, that all Member States of the European Union have to transpose into national law by October 2013, was considered a revolution that can configure for Health in Europe a landmark as big as the Eiffel Tower did for the European nineteenth century engineering. Transnational freedom of choice and competition in provision of healthcare and its financing, drawing on information and communication technologies (eHealth) will be in the future, as the speakers concluded, the foundations of a potential European Health System.

At the beginning of the UEHP Council Meeting, under which the roundtable was held, the President of the General Assembly, Dr. Max Ponseillé, and the President of the Board, Teofilo Leite, characterized the social-economic context of this debate. It became clear that in this period of economic crisis, of high instability and greater pressure to carefully use the “scarce” resources to cope with the numerous responsibilities, the need to define Europe-wide strategies, to allow economies of scale and enable Member States to resist the erosion of social protection mechanisms, particularly in the area of Healthcare, is evident.

“Health is in a changing phase with the introduction of new diagnostics, treatment and rehabilitation, as well as new concepts and business models seeking to adapt to the evolution of medical science, new information technologies and a more active participation of the citizens regarding their health”, assured Teofilo Leite.

Alluding to the 120 million Euros deficit accumulated in the French Healthcare sector, Dr. Max Ponseillé said: “To continue to provide more and better healthcare, the challenges require a greater role for private hospitals.”
"We must listen to the patient, think about what patients want, even if the providers have to have staff fully engaged to the patients, 24/7. The private sector provides a human touch; it provides an all-in-one service with an individually adapted patient support package, before, during and after hospitalization, taking into consideration all of its patients’ needs”.

MR. PASCAL ROCHÉ
PDG of Générale de Santé, France

"The Directive on Patient Mobility is a key factor for the single healthcare market. However, we have to develop parallel mechanisms of regulation in order to compare different agents; define wellness quality standards; promote organisms to establish and control those criteria; and transfer this information to final users, so they can choose taking advantage of the global market”.

MR. BENITO GARCIA LEGAZ
General Manager of Asisa Hospitals, Spain

"The ongoing reform in Poland encourages privatization, removes the monopoly from the NHF and introduces competition between third party payers”.

PIOTR GERBER
President of the Board of EMC Medical Institute SA, Poland

"The private hospital is now an alternative to solve the challenge of health for all. The private sector provides a public service and brings savings to the States”.

DR. CHRISTIAN LE DORZE
President of Vitalia, France

PREPARING FOR THE EUROPEAN HEALTHCARE MARKET

The recent UEHP Council meeting was an important moment of debate around key issues for the Future of European healthcare systems. My presence as moderator of a roundtable on the Future of healthcare in Europe was a very positive personal experience. The debate generated was a moment of high quality thinking around the central topic designated. The members of the EUHP who participated in this roundtable, whilst representing a diversity of healthcare systems, were able to share with the audience a number of key ideas around the four major topics defined including the Future role of private hospitals in Europe, issues on competition between private and public hospitals, opportunities and threats arising from the Directive on Patient Mobility and the potential of eHealth and Quality standards on private hospital markets across Europe. In essence, from this roundtable we were able to clarify three major ideas.

Firstly, the diversity of realities and organizational development of European systems makes it very difficult to analyze trends and opportunities in a single structured approach. The different levels of development of the private hospital sector, the diverse levels of development of the public sector and the diverse channels of distribution and financing still demand a national market approach on most of the dimensions of a strategic business plan for healthcare in European markets. Secondly, to each of the four topics, the different hospital managers also shared with the audience a number of diverse strategic challenges and some practical solutions. Being a very positive sign, as it demonstrates the energy of European diversity, these different approaches also indicate additional challenges for European wide regulation. Bringing together such diverse hospital market contexts will imply further thinking and strategic analysis for Future proposals.
“EHealth and Quality standards are the definers of the new Healthcare paradigm, led by the private providers”.

INÉS MURTEIRA BLECK  
José de Mello Saúde CEO, Portugal

“It seems quite obvious that, independently of any government preference in healthcare, public monopoly is to be dissolved and replaced by a competition-based system”.

PROF. GABRIELE PELISSERO  
vice-president of San Donato Hospital Group, Italy

“The objectives of the cross-border directive are: to establish rules to facilitate the access to a high quality healthcare in the European states; to guarantee mobility of the patients; to promote cooperation among the states, within limits of reimbursement”.

PROF. FABIO MIRAGLIA  
Giomi Group, Italy

“Europe must get together to improve national coordination in the healthcare sector”.

ELISABETH MORIN-CHARTIER 
MEP

“The Common European Market is a reality, patients demand their right of free choice. Hospital Services may be services of a special nature, but they cannot be exempt from the legal framework of the common Market in the long run”.

JENS WERNICK  
member of the board of UEHP, Germany

Thirdly, the roundtable exposed a number of very interesting management experiences of high interest to wider audiences all over Europe and beyond. Sharing innovative solutions in a structured format whilst reaching larger audiences of healthcare managers and decision makers can be a key element of strategic communication and certainly a contribution to the international knowledge around the complex field of healthcare management.

To a large extent, the adoption of innovative solutions for new and old challenges depends on how effective we are in disseminating knowledge and sharing best practice to support healthcare management decisions at all levels. In a context of uncertainty and rapid change, the available innovations and the adoption of practical solutions need to be disseminated in readable formats to facilitate critical analysis and evaluation of decision makers all over the world. This is a key responsibility of scientific journals and periodical specialized technical publications such as the International Journal of Healthcare Management (IJHM).

Within the scope of the European debate we need to be focusing on new developments within emerging areas of knowledge generation and practice innovation such as those related to ehealth, home care, long term and intermediate care as well as on the implications of upcoming personalized medicine developments. The impact of international patient movements in parallel with the exchange of clinical expertise and related services is also of great interest and to follow during the coming years.

In this context, the need to further promote innovative healthcare management debates becomes clear. Be it in search of new models of healthcare planning, financing and delivery, be it in new approaches to bring together multi-professional skills, multi-sectorial intervention and cross-national healthcare programs. Moments like this roundtable promoted by EUHP are key channels to bring together the energy of the European private hospital management and to further develop the international healthcare management debate and practice.

Paulo Moreira  
Editor-in-Chief  
Roundtable in Paris: CONVERGENCE AND MOBILITY IN EUROPE

Gabriele Pelissero, president of the Italian Association of Private Hospitals and vice president of the San Donato Hospital Group, presented the largest and most important private Italian hospital group and reflected on how the Italian reimbursement mechanism balancing the asymmetries of fragmented Healthcare service delivery in Italy, which has 21 regions, could be a model for a possible harmonization system of competition and differences between European countries.

Jens Wernick, member of the Board of the UEHP, representing the German Association of Private Hospitals (BDPK), ensured that the implementation of the Directive on cross-border care will have a direct impact on the German healthcare market, especially because of the centrality of the country. Mr. Wernick also revealed that treatment of foreign patients in Germany rose 42.57% between 2005 and 2010. “European patients know ever better the different healthcare providers and the different quality standards, either domestically or internationally, opting therefor for the most beneficial solution”, noted Jens Wernick. For this German lawyer, “the European common market is a reality and, therefore, patients should insist on their right to freedom of choice. Hospital services are of a special nature, but still cannot in the long run, be kept outside the regulations framing the Common Market.”

And even countries with less history in the field of private hospitalization, such as Poland, where there have been only private hospitals for the past 12 years, seem to be moving at an accelerated pace towards the new European order announced for the healthcare sector. Piotr Gerber, chairman of the board of the Polish EMC Medical Institute SA, noted that the ongoing reform in his country “encourages privatization, takes the monopoly away from the public system and introduces competition among financers.”

The director general of the group leading private hospitals in France, Pascal Roché, from Générale de Santé, identifies the same signs of change in European Healthcare but prefers to emphasize that “we must listen to the patient, think about what patients want, for this or that service providers have to have staff engaged their full attention to the wishes of the patients, 24/7.”

Therefore, despite leading a business group with 110 clinics and hospitals, 23,800 employees, 5,000 of which doctors, Pascal Roché guarantees that “quality is still a blank page that we have to write”. Dr. Christian Le Dorze, president of the second largest French group of private hospitals, Vitalia also puts emphasis on the humanization of care and therefore regrets choice, on the gains of homologation and control procedures and on the gains for setting criteria, prices and costs of medical services”.

Fabio Miraglia, representing Giomi Group, of Italy, also sees the directive on patient mobility as a first step towards the “so longed for” Single Healthcare Market. Why? “Just think of the underlying objectives of the directive: to establish rules to facilitate access to high quality services in Europe; ensure patient mobility and promote cooperation among states, without compromising the limits of reimbursement of public expenditure”, explains the Italian manager. Ines Murteira Bleck, CEO of the Portuguese group Jose de Mello Saúde, also aims to reach “hybridization of the different European healthcare systems” and predicts that health and quality are the most important vectors of a new paradigm of healthcare in Europe. “Ehealth and quality criteria are compelling themes. Ehealth will have a crucial role in the efficiency of processes, definition of the database of the patient and on developing new communication channels. Quality criteria will be critical in reducing asymmetric information of patients in the analysis and comparison of best practices and encouraging continuous improvement”, said the Portuguese manager, for whom the private hospital sector, because of their more innovative profile, leads the change.

Even MEP Elisabeth Morin-Chartier, special guest of the UEHP meeting, shared this view and challenged private providers “to make their own way” to respond effectively to changes in Europe, which she characterized as the “fragility of the Euro Zone, demographic ageing, citizen mobility and mobility of patients”. For the MEP, “Europe must get together to improve national coordination in the healthcare sector.”

However, what the private providers passed on was formulated as questions - answers. While public health policies remain the responsibility of member states, can Europe improve efficiency and synergies between members-states in the healthcare sector? Can Europe promote a real equality between European citizens?

No, we need a European plan.