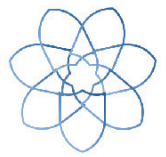




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THINKING ABOUT HEALTHCARE AND POLICY WITH PUBLIC PRIVATE PARTNERSHIPS



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Abstract

How can PPPs be both sustainable and contribute towards the UAE healthcare? In other words, what is the nature of healthcare in both the means and ends of a PPP project? Largely, healthcare for PPPs has meant whether they are viable projects in their design and development, and whether they offer ‘value for money’. Nevertheless, how can (and should) PPP projects move beyond these objectives, to also deliver results which are promoting good health and well-being through factors such as quality of care, access to care, cost of care and responsiveness?

Objectives

On the UAE Vision 2021 National Agenda, this journey aims towards achieving a world-class healthcare system. Therefore, the purpose of this Policy Council is to gather government partners, opinion shapers, and academics for an exploratory discussion around the issues involving PPPs and its’ eminent role (or not) for the further enhancement of the UAE healthcare system. In particular, it aims to:

1. Define sustainable PPPs healthcare opportunities for the country of UAE.
2. Outline the national agenda outcomes intended through increased or sustained PPPs involvement within the healthcare arena.
3. Outline the benefits of PPPs for the healthcare sector.
4. Examine and discuss possible reasons for involving PPPs for enhancing the quality of healthcare.
5. Examine and discuss possible reasons for involving PPPs for enhancing the access of healthcare.
6. Examine and discuss possible reasons for involving PPPs for enhancing the affordability of healthcare.
7. Discuss the role of government in regulating PPPs in the healthcare sector.

8. Examine current policy directions and how they can be improved.
9. Discuss policy alternatives and long term solutions.
10. Examine the challenges and opportunities involved in setting Health-related PPPs policies.

Rationale

When thinking about PPPs and healthcare there are the sufficient and long-term strategic healthcare plan needs to be formulated alongside the country's forward-looking initiatives to fill capacity and quality gaps. Studies have shown that there are shortages of healthcare professionals and concerns pertaining to accessibility and affordability of

healthcare. These pressures will automatically translate to additional expenditures devoted to the sector. Subsequently, governments have sought the collaboration with the private sector, aiming to improve a number of indicators that have pushed down the quality of health care. Known as Public-Private Partnerships, the UAE has officially ratified a PPP-Law in 2015 (Law No. 22 of 2015) endorsing the cooperation between the two sectors to improve the provision of goods and services on a multidimensional level. It is worth noting that not all forms of collaborations are classified under the PPP title.

A clear PPP interaction must include a comprehensive contract and memorandum of understanding encompassing clear terms and conditions between all parties involved; explicit partner obligations and duties; measurable performance indicators and expected outcomes; along with a specified timeline (Akkawi, 2010). Given the fact that healthcare systems are intricately complex by nature, it is important to admit that there is no best-practice for public-private-sector collaborations. Instead, private sector stakeholders are invited to contribute mainly to improve the overall performance of the health care system, and with that ultimate objective in mind; governments' regulatory roles stand crucial.

Both sectors enjoy more than a handful of competitive advantages that any collaboration could benefit from. What is expected from PPPs in the healthcare sector in particular, is the identification of weaknesses the latter suffers from, and calling on the expertise of the private sector to resolve them. The private sector is expected to participate in improving the efficiency and effectiveness of healthcare delivery by utilizing its expertise in administrative

and managerial support functions. In addition to that, the private sector is also expected to contribute with its financial leverage, injecting capital into profitable ventures and harnessing labor resources, spurring innovation, and applying administrative best-practices.

Internally Sustainable PPPs

A difficulty with ‘value for money’ is that it can contribute to difficulties between the public and private partners. For the public agency, a motivation may be to shift the cost from itself to the private partner and ensure a good level of service on one side, while on the other the private partner is prepared to absorb startup costs in the expectation of future profit-generation. If expectations and practice are not aligned this can create problems for the viability – and therefore sustainability of the healthcare project. Therefore, for a PPP project to be sustainable there has to be strong commitment from both sides to see it through and address the areas of potential difficulty in the design phase.

Sustainable Development as a PPP Goal

Here the focus is less inward and more external, addressing how PPPs contribute towards development ends that are sustainable, particularly to United Nations Global goals, the sustainable development goals (SDGs): goal 3 (Health) and goal 17 (PPPs). These are broad and include social, economic and environmental concerns. They are encapsulated to a large extent by the UN’s Sustainable Development Goals for the period 2015-30. The goals are broad and include economic growth, an end to poverty, improved and healthy lives, quality education, affordable and clean energy, meaningful work, cities that are more inclusive and societies, resilient and sustainable infrastructure and industry (UN 2015).

Countries can use the goals as a way of deciding on and between infrastructure projects and targets to achieve the SDGs that they have signed up for. Of course, realizing these goals presents a substantial challenge for any one single PPP project. Therefore, while they may not be able to deliver them all, they will need to fit into a wider framework of sustainable development, which includes these various goals. They can do this by focusing on a primary SDG and complementing other, secondary goals (World Bank 2017).

Dubai's PPP Law and Guidance

In December 2016, Dubai's Department of Finance published the guidance to support the 2015 PPP Law. In the bigger picture of PPPs in the UAE, the guidance provides details of the stages that any proposed PPP project must go through. The guidance refers to sectors generally at several points within it, including internal sustainability (e.g. the finances involved in developing it and revenue generation) along with the goals it aims to achieve (including sustainable economic growth) are spelled out within it. In addition, a number of impact assessments and evaluations are expected before approving a PPP project; they include social and economic, environmental and financial (expected cost to both public and private partners, anticipated revenue and cash flow) (Department of Finance 2016).

Mental Health & PPPs

Mental health challenges are part of many people's lives, but they are seldom diagnosed or treated. The stigma associated with mental health problems makes it even more difficult to address them. In the UAE, mental health poses a challenge. Although a lot of effort has been done to change the state of care in mental health, it is still inadequate and lacks reliable data. So, how can PPPs help in raising awareness of mental health in the country? In what ways can PPPs improve the prevention of mental issues and provide health care for patients with mental disorders?

Insofar as the authors are aware, it is not clear that any new healthcare infrastructure or service delivery projects have gone through this new PPP process. Therefore, the

guidance remains untested in practice. It is therefore one of the issues that may contribute to the policy discussion, in particular whether the requirements and expectations are sufficient or need either loosening or strengthening.

Moving Forward: Discussion Questions

THEME 1: HEALTH RELATED POLICIES AND PRACTICES

- What are the benefits, challenges and opportunities involved in setting Health-related PPPs policies?
- Do you agree that while good practices can and should be adopted from the private sector, leadership in government demands greater emphasis on particular values, skills and processes?

THEME 2: QUALITY, ACCESS AND COST OF CARE

- How can PPPs be involved to improve the quality of care, access to care, responsiveness and cost of care (in terms of affordability) within the UAE healthcare service delivery system? Consider and identify the possible benefits, role of government in regulating, policy directions/implications.
- In what ways can PPPs improve the prevention of mental issues and provide health care for patients with non-communicable diseases and mental problems?

Methodology

Deciding how we might innovate leadership development in government demands a series of inter-related choices that involve consideration of evidence, values, and capacity. In this MBRSG Policy Council, we will bring together key influencers in UAE government departments as well as the private sector to explore some key options.

We are keen to stimulate constructive, informed and thought-provoking debate. As such, the Policy Council will begin with a short presentation of relevant research undertaken by MBRSG, and some provocations to stimulate debate. This will be followed by a summation and introduction by the facilitator, after which questions will be posed to attendees and discussion can commence. The Council will end with a summation and suggestions for the way forward.

Proceeding Notes

The UAE National Agenda 2021 aims at creating a quality health delivery system that can compete on a global scale. Taking into consideration that about two thirds of health services are provided by the private sector in the UAE, building private-public partnerships has never been more crucial. The incentives for improving healthcare system in the UAE are various: 1) Based on the SDG number 17, “*promoting PPPs and collaboration is essential for national development*”, 2) Regarding the quality of healthcare, one of the goals of the UAE agenda 2021 is that all the hospitals (public and private) should be accredited internationally, 3) the UAE aims to be one of the top countries in healthcare provision and increase medical tourism in the coming years.

The Health Policy Council focused the discussion on four pillars of health systems (quality-affordability-access-responsiveness) and raised important issues related to mental health and the social responsibilities of the private sector. From the discussion, several themes emerged:

1. Understanding PPPs

The term PPP is widespread but often misunderstood, which can lead to misunderstandings amongst government, the general public and potential partners. There is already a dialogue going on at the regulatory level, because the private sector is regulated and regulations are controlled by the public domain. It is crucial, at the level of the early stages of establishing PPPs, to choose the right partner. The key element in that situation is aligned interests, otherwise the partnership will not be sustainable and reliable, because PPPs can fall apart of conflicted interests. Overall, we need improved coordination systems governed by clarity, transparency and fairness for both sides.

2. Complexity and Uniqueness of the Health Sector

The complexity and uniqueness of the health sector as service provider shapes the evaluation of PPPs and any policy interventions. When we talk about PPPs in healthcare sector, we need to think how is it different from other industries in terms of establishing PPPs. Healthcare is a unique setup in its complexity because it

entails elements of national security. It is also unique in the sense that it has different power dynamics for the consumers (patients) than other industries. The consumer has less power and that is important when we plan healthcare services and how we regulate them in a way that protects consumers. A macro-level governance for the system is needed to regulate at larger level, and on a micro-level, we need more sophisticated systematic ways to measures and evaluate PPPs.

3. Avoiding selective approach by the Private Sector

The benefits of PPPs in the health sector encompass lifting some of the burden from the public sector in terms of building and managing healthcare providers; also in terms of human capital, it provides opportunities of professional growth in a diverse setting. One of the greatest risks of PPPs in health sector is how to avoid the commercializing (or cherry picking) of the private sector. The process of selecting private partners should be a holistic approach. The risk that has to be mitigated in health PPPs is to prevent the private sector from suppressing the services it provides on the basis of profit. Therefore, regulatory measures should be put in place to create a balance between profit-driven private sector and the necessity of providing all the healthcare services needed in the country. For example, setting clear objectives and KPIs for the private sector contribute to minimizing the risks. However, because the UAE is still young in this area, it is important to create a careful balance between incentives for the private sector and restrictions that govern it.

4. The Role of Government

a. Another question to address is what is the role of the government in PPPs, and how should it be manifested? One of the roles that the government can play in PPPs is to create information architecture infrastructure than the traditionally capital one. A huge amount of data is missing from both the consumer and production sides, upon which the private sector can capitalize and take advantage, and that is an appropriate role for the government to play. Having that data would make a huge difference in where the private sector should be locating.

b. There are several models that exist in healthcare PPPs. The private sector can approach the government with a plan, or the government can develop a plan and invite the participants from the private sector to set in and fill in the gaps. Another model is when the government promotes private-private partnership (education

model). Another model is clustering (the cluster concept) where the public sector can encourage joint ventures across the private sector partners, creating and protecting private-private partnerships.

c. Governments are well situated to be responsible for patient education and information awareness. There are some examples of best practices worldwide, such as the US model that provides portals at the federal level to educate patients about facility information, assessment, pricing and access to expand the ability to have an educated consumer base in the healthcare sector and there is an opportunity to apply a similar model in the UAE.

5. Availability and accessibility of Healthcare Services in remote areas

Another area where the public sector can plan PPPs is in encouraging healthcare delivery in areas such as the Western region, where there are no comprehensive insurance plans and less appetite for the private sector, in comparison to healthcare in Dubai where a guaranteed flow of patients can make a PPP sustainable.

6. Data collection

There are many tools that the government can use in terms of payment to providers. In terms of costs, there are many different models worldwide. The goal has to be patient-focus care, and in order to do that the public sector has to define the epidemiology of patients, and consequently it demands systematic data collection process. The incentives for creating such database for the private sector are weak, since little added value for it stems from high costs of studying the populations.

7. Building non-profit partnerships

Private sector can also be privately owned non-profit foundations and volunteering movements that can provide counseling, prevention, and patient education (like friends of patients with cancer in Sharjah). The issue of accessibility and serving underserved population requires building on the strength points. For example, one of the opportunities can be locating where mental health services are provided and expand this service provision, causing joint ventures, especially with non-profit university hospitals. This way the private sector participates as a non-profit party. In some cases, governments can look at where the expertise is in the private sector

and simply empower it, instead of collaborating with it, or offer incentives for private parties to partnership in certain areas of expertise.

8. Collaboration with Other Ministries/parties

a. One of the topics that were discussed is role of the Ministry of Happiness and Wellbeing. The mandate of the Ministry puts the UAE society's wellbeing at the heart of its policies. For example, the Ministry has announced the national program of Happiness and Positivity, in addition to a number of programs to imbed healthy life styles in children's everyday life. There is a great momentum when it comes to wellbeing and mental health. The new healthcare policy direction puts more emphasis on mental health than before, and that is the right time to expand preventive measures, build resilience in youth, and systematically collect data on mental health.

b. In terms of mental health, some multinational companies employ a variety of programs and incentives for their employees to promote healthier life styles and mental health programs such as preventing stress, anxiety and helping employees coping with different emotional problems at the office. The government can take an educational and awareness spreading role, and expand on these good practices.

Recommendations:

1. The government should take the lead role in creating information infrastructure in collaboration with the private sector, which should cover both healthcare consumers, patients and providers. The goal of collection information helps to focus on patients, provides insights into areas that are in need of improvement, and aids the government in planning PPPs where data indicate gaps, trends and possible opportunities for collaborations and even improvements.
2. More attention should be devoted to remote and underserved areas in the UAE. Moreover, through sourcing the right partners and incentives; the government can expand on healthcare services to reach to areas that does not have comprehensive insurance plans or strong healthcare systems. Building partnerships with and empowering for- profit or non-profit organizations can aid in delivering healthcare services to such areas.
3. Mental health policy is attracting attention in the UAE. Dubai realizes the importance of mental health, as it is included in the health goals for its health strategy 2021. This new direction should be expanded on in terms of creating PPPs (or empowering private-private collaboration), building inclusive information infrastructure, empowering best practices in the UAE, and collaborating with other Ministries and parties, especially where mental health concerns are most likely to exist, such as in youth and stressful employment conditions. Also, illness and health issues are major cause of stress and they may lead to depressive symptoms and mental health problems. In addition to physical treatment, patients require mental health provision and consultation. Since the proportion of healthcare provided by the private sector encompasses a huge part in the UAE, it is important to provide mental health care in the private sector.
4. Establishing an office for PPPs in the UAE that can define PPPs, regulate contracts, measure performance, and collect data from the health sector. In addition to categorizing PPPs according to the World Bank, into public health services, hospital services, facilities financing, amalgamation of facilities financing and public health services and finally considering co-location PPPs.

Participants

Participants in this Policy Council session are:

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