RIBERA SALUD: From Hospitals to Population Health System

Valencia, 5th October 2015
The Spanish National Health System

The Ribera Salud Model. Main features.

The capitation system

The evolution of the Model

Conclusions.
INTRODUCTION:
The Spanish National Health System
A Reflection...

We have to face big challenges in the short and medium term in our health systems. These challenges are not only for the UK or Spain, they are **global challenges**. In fact, many countries all over the world are already carrying out reforms.

In my opinion, the **common objectives of these reforms** in progress are:

- To provide **quality healthcare and social welfare** to all citizens. *In one word: public values.*
- To make this healthcare system **sustainable in the long term**. *In one word: responsibility.*
- To apply the **best practices**, using technology and coordinating all levels of care as well as social services: *in one word: change/specialization.*

Therefore, the main objective of the reforms in healthcare is to move forward in a system with public values, economic responsibility, and highly specialized.
Analysis of the Spanish National Health System

**Strengths:**
- Values and principles: the Welfare State (cost-free, universal, equal)
- Good healthcare indicators.

**Weaknesses:**
- A growing budget deficit in an economic structure with 17 Autonomous Regions.
- A bureaucratic system with high structural costs.
- Lack of flexibility to face new challenges in the coming future.

**HEALTH EXPENDITURE GROWTH**

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth</th>
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<tbody>
<tr>
<td>2003</td>
<td>100</td>
</tr>
<tr>
<td>2009</td>
<td>181.9</td>
</tr>
<tr>
<td>2012</td>
<td>171.1</td>
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**Evolution of the GDP 2010-2014**

Source: “El Economista”

Note: The table and chart data are approximate and for illustrative purposes only.
THE RIBERA SALUD MODEL
Key Ideas

1. PPP Model
2. Capitated Payment
3. Healthcare Integration
4. Networking
01
Based on a capitated payment. The Government pays the concessionaire a fixed and pre-established annual amount for each assigned inhabitant.

02
The contracted-out center is built on public land and belongs to the public hospital network.

03
The concessionaire is subject to complying with the clauses established in the contract.

04
The provision of the health service (both clinical and non-clinical) is awarded for a pre-established time to a concessionaire.
“To achieve the best health conditions for the citizens”

“Money follows the patient”: Quality and patient loyalty

ALIGNMENT BETWEEN PUBLIC AND PRIVATE INSTITUTIONS

The company is answerable to its shareholders

The Administration achieves objectives
Capitated Payment II

Current Model
- Activity based model
- Causes more delays
- Needs more professionals
- Causes cost increase
- Does not promote health

Ribera Salud Model
- Health is financed
- Commitment to prevention and health promotion
- A new organisation
- Money follows the patient

“More, More and More”

“Do what we have to do, in the most appropriate place”
Public Health Budget Lines Included in the Annual Fee

1. Personnel expenses
   - Operating expenses
   - Investment

2. Personnel expenses
   - Operating expenses
   - Investment

3. Operation expenses
   (Oxygen therapy and medical transport not included)

4. Personnel expenses
   - Operating expenses
   - Investment

5. Other Costs
   - Invoicing between centers
   - Cost borne by the Government that should be paid by the concession.
   - Other costs
An Integration Model
Most importantly: cultural change of the politician and healthcare organization managers.

- The most important thing is not the hospital.
- What really matters is to stand by the whole healthcare network, its professionals and other agents involved (City Councils, Schools, Nursing homes, old people’s homes, etc)
- To create a corporate culture: Population Health Management

Objective:

“To achieve the best health conditions for the citizens”
The Evolution of our Health Model Approach
The Evolution Of Our Health Model Approach

2003

CITIZEN

PRIMARY CARE
The Evolution of Our Health Model Approach

TODAY

HOSPITAL

PRIMARY CARE

CITIZEN-PATIENT

NETWORKING
1 Clinical Management:
To Achieve stronger professionals’ commitment in decision-making processes.

Do the correct in the best place with the best quality & Efficiency
Chronic Health Plan.
Proactivity in Care
Home care, social and healthcare network.
Patient Safety
Demand Management

2 - People Management:
Training financed by the Organization, Teaching (University and MIR) and Research
Incentives system. Career and professional development

Information Technologies:
Full EMR (all departments and levels integrated)
Relationship doctors-patients (Health Portal)
Relationship between professional (hospital-Primary Care) and
Business Intelligence System (from professional to corporate manager).
Benchmarking. Cost analytics and what-if capabilities.
CONCLUSIONS
Conclusions & Challenges

Challenges Faced 16 Years Ago:

For the first time in a NHS, a capitated model in healthcare management was implemented

- To assume that a change, an unprecedented new management model was possible. To start from square one.
- Alignment of Private sector and Public Administration objectives.
- Alternative financing methods, constant innovation in management, new integration models.

Challenges at present

- To be able to adapt to the circumstances. The private sector adapts to Government’s needs. To take advantage of public-private partnership to innovate. To question the bases of the Model (services portfolio, capita including incentives for health results, etc.).
- Corporate identity. “Think globally and act locally”. To attract and train new professionals aligning objectives.
- To face 21st century challenges, with 21st century tools. New action plans for chronicity, benchmarking, best practices… Patients’ needs have changed. We must adapt to a competitive scene.

Challenges for the Near Future

- Shared services.
- Multi-hospital management models.
- Global approach to the patient, citizen and caregiver.
- Development of networked management model.
Ribera Salud Added Value

For the Professionals
Job security. Innovative salary system. Opportunity for development and a professional career. Teaching and Research. Commitment to technology.

For the Local Government
Offloading of the public budgets. A lower-than-average costs public management of a public service (25% less). Investments are the concessionaire’s responsibility during the management period. Capitative payment. Transfer of financial risk. Innovation in technologies and systems management. Contribution of complementary HR.

For the citizen/patient
Conceptual Framework

Resources
INPUT

Processes

Products
OUTPUT

PUBLIC VALUE

Result
OUTCOME

Public Administration and society

Ribera Salud

Private Companies
Pressure on the costs will be increased: REFORMS
Thank You !!!