



HEALTH PUBLIC PRIVATE PARTNERSHIP REVIEW LESSONS LEARNT AND APPETITE FOR PPPs

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“The activities of the public and private health care sectors should be integrated in a manner that makes optimal use of all available health care resources. The public-private mix of health care should promote equity in service provision”


National Department of Health. White Paper on the Transformation of the Health Sector. Pretoria: 1997.

Meaningful Public Private Partnership in the health sector:


“The principles to manage these partnerships should guide best practice purchasing, provisioning, procuring and sound financial management of health services to create incentives for improving access, greater equity, higher quality, more innovation and serving the poor with efficiency.”

Page 321, National Development Plan, 2011




REVIEW FOCUS

Facility	Type of service	Contract Period
1. The Nkosi Albert Luthuli Central Hospital (KZN)	Asset financing and maintenance and management functions	2001 - 2017
2. Universitas and Pelanomi Hospital (FS)	Co-location and clinical care management	2002 - 2017
3. Humansdorp District Hospitals	Provision of clinical and facilities management services	2003 - 2024
4. Rehabilitation and Lentegeur Hospital (WC)	Hospital facilities management	2006 - 2018
5. Port Alfred and Settlers	Co-location	2006 - 2034
6. Limpopo Polokwane Hospital Dialysis (LP)	Provision of specialised clinical care renal and peritoneal dialysis	2006 - 2016
7. Phalaborwa Private Hospital (FS)	A concession	2011 - 2026
8. National State Vaccine initiative		2003 - 2010

 **BIG QUESTIONS**


Different experiences what the PPP policy means and how it is planned and implemented by role players is important:

- Regulatory and institutional framework (NDoH and National Treasury)
- Other competing priorities and limited resources - financing, procurement and contracting
- Ownership and buy-in from management, professional organisations, organised labour
- Inadequate capacity in skills, systems and operations
- Clearly define roles, responsibilities and performance accountability (consequences)
- Oversight and governance (Hospital Boards or community representatives)

 GOVERNANCE, TRANSPARENCY AND ACCOUNTABILITY IN A SOCIETY OF THE FUTURE AND THE 21ST CENTURY


WHAT ARE THE INTENTIONS?

- Ensure a greater focus on the achievement of measurable results (clearly defined contracts objectives, verifiable outputs and outcomes)
- Overcoming the constraints that prevent govt from effectively using the resources made available to them
- Using the private sector's perceived greater flexibility and general better morale to improve services
- Increase managerial autonomy and decentralising decision-making to managers on the ground (controls)
- Using competition to increase effectiveness and efficiency
- Technology knowledge and innovation

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HEALTH PPP'S FOCUS AREAS

- Infrastructure development
- Specialised health services (Renal Dialysis)
- Operational efficiency
- Innovative technological and management skills

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WHY?

- Increasing public expectations and consumption of health care
- Unfortunate public experiences of the public sector
- Affordable and equitable access to safe and quality care (Bill of Rights)
- Advances in medical and technological treatments
- Health profile (youthful and aging populations)

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There is appetite
but Health PPPs
are at the
crossroad

**SO WHAT ARE
ISSUES FOR
REFLECTIONS?**

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Operating System called **MONEY**

**1. Financial
Sustainability**

The ability to create lasting
improvements in health
and well-being for an
extended period of time
despite ongoing changes
in funding sources,
program models, service
providers, community
demographics and other
factors.

**Outcomes, costs and
scale**

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**2. Regulatory and
institutional
framework - changing
and domestic and
global environment**

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**3. Inadequate officials skills
and capacity and experience
to interrogate PPP models,
review financial implications
including identification and
allocation of risks pre project
initiation**

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"Coming together is a beginning, Keeping together is progress & Working together is success."

Henry Ford
• Founder - Ford Motor Company

4. Inadequate integrated planning and management of PPPs betw facilities, prov and national (roles and responsibilities)

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5. Concession period: 25 years? Is it realistic? (flexibility)

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6. Exit Plan
Managing and maintain facilities given the financial investment (what the implications - sustainability?)

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"There can be no real growth without healthy populations. No sustainable development without tackling disease and malnutrition. And no hope for the spread of freedom, democracy and human dignity unless we treat health as a basic right"

Glo Brudtland

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“What and how we strengthen the current PPP legal and institutional framework that provides a sound architecture for efficient and corruption free public procurement and decrease inequities in health service delivery is before us”

So what is our plan going forward? - what should be our vision and guiding principles?

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it is not only for what we do that we are held responsible, but also for what we do not do.

Moliere

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PARTICIPATION!



Thank You Very Much For Your Presence
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