

Symposiums

S7.1	Partnering with Private	13:15 Convention Hall B
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Public-Private Partnerships in Healthcare

Bali V

Fortis Healthcare Limited, Singapore

Public-private partnerships are being increasingly encouraged as part of comprehensive development across various sectors in different parts of the world. The need to foster such arrangements is built on the hypothesis that the public sector in many areas is not able to execute or provide public goods entirely on its own in an efficient, effective and equitable manner because of lack of resources and management issues. Public-private partnerships are increasingly seen as playing a critical role in improving the performance of health systems worldwide, by bringing together the best characteristics of the public and private sectors to improve efficiency, quality, innovation, and health impact of both private and public systems.

In the past, the private and public sectors in health operated more or less independently in most countries. The assumption was that the private sector provided services mostly to the wealthy in any country, while the government served those who were unable to pay for services. A large portion of healthcare budgets in all countries is spent on sophisticated hospital care, usually found in urban settings, rather than primary care or preventive care that serves the needs of the rural. In order to advance healthcare delivery to a larger cross section of the population, many who in the past supported a pure government system on philosophical grounds are now more willing to consider the private sector as an integral part of the national programme, and find ways that public-private partnerships can be used to make the entire system more productive.

Another shift in philosophy has occurred with regard to the private sector. It is generally felt that the private sector, as a result of the competitive environment and the subsequent need to survive, is more able to respond to change and more able to deliver services at low cost when there is an appropriate stimulus to do so. Thus, as cost pressures and the need for change have been increasingly felt by the public health sector, they have looked to the private sector both for models of how to deliver services more efficiently, and also as a source of innovative approaches to reaching hard to serve population.

Public-private partnerships can be an effective force toward achieving these results that now face health systems in Asia and around the world and considerable work will need to be done to develop the accountability and transparency, the legal and regulatory framework, and the mutual trust that is necessary for these partnerships to succeed.

Perhaps there was once a world in which the private and public sector were completely independent, but today that world does not exist. There is probably no country in which the private sector is not deeply affected by government regulations and laws. Similarly, almost all governments today rely on the private sector for pharmaceuticals and increasingly contract with private (often not-for-profit) organisations for training; information, education and communication development; and often for direct service delivery in areas where the government does not provide services. Furthermore, as government programmes move toward social insurance programmes and contracting mechanisms as ways to expand coverage, the interdependence of the public and private sectors has deepened and will need strengthening. The interdependence has also made each sector understand how cooperation and partnership might be mutually beneficial despite the effort that is required to maintain the relationship.