CÍRCULO DE EMPRESARIOS
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Ten pressing issues for the Spanish Healthcare system in 2019

Ensuring quality heathcare in the face of demographic and technological challenges

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Executive summary

1. The patient experience: beyond satisfaction surveys

Healthcare cannot be patient centered unless two fundamental questions of practice are resolved:

- **Sufficient dedication on the part of clinical staff** (doctors and nurses) to listen to patients in that consultations are excessively brief and hasty. Within a context of the proliferation of over specialization and a lack of a reference healthcare professional, this is the major defect in our medical care.

- The solution to the **serious problem of waiting lists** (specialist care) and **delays** (primary care) within our public sector system that, in contrast to what many politicians think, is no minor concern but the cause of anxiety, worry, changes to personal and family plans, the development of illness, etc. There is little to smile about on this matter.

Having resolved the foregoing, an up-to-date focus on patient centered healthcare in keeping with our times must include:

- Organizational changes to enable online access to medical records and the possibility of permanent, secure online contact with the reference healthcare professional.

- Emphasis on patient experiences, overcoming the mere focus on satisfaction surveys.

- A drive towards shared decision-making.

- Measuring what really matters to patients (in line with the ICHOM experience).

- Involving patients in the redesign of healthcare processes that affect them.

True patient centered healthcare will be a fundamental competitive and differentiating element for healthcare organizations.

2. Businesses: major agents of change and renewal in the sector

- We are currently seeing a degree of institutional paralysis that is evident not only in our country. This coincides with greater prominence on the part of businesses in the resolution of public issues.

- This is also what is happening in healthcare, where there are key elements in its development that will be impossible to drive forward without collaboration from private companies. This is due to the latter having the know-how, teams, experience and international connections to develop these crucial projects.

- Among these projects requiring collaboration with private businesses are a number that are key to the future and modernization of the healthcare system:

    - Artificial Intelligence

    - Big Data

    - Blockchain
    - Tele-medicine
    - Personalized high-precision medicine

- The involvement of businesses will only prove truly effective if National Plans regarding these areas are developed. The ambition behind many of these projects requires National Plans as well as internationally coordinated plans, in particular in terms of those driven by the European Union.

- Key elements of these plans must include funding, as well as the bases for public/private partnerships for their development.

- Nevertheless, businesses must be prepared to add value to the healthcare sector, even in the absence or weakness of public initiatives.

- In order to consistently and responsibly compile collaboration on the part of businesses, the authorities in general, as well as the public health authorities in particular, must have access to a catalogue of businesses involved in these initiatives, in addition to an evaluation of their capabilities, experience and commitment at a national level.

3. The growing private healthcare sector is here to stay

The private healthcare sector has grown significantly in strength over the past decade, as shown by marked growth in the number of holders of private insurance and the modernization, improvement and consolidation of the private hospital sector.

The private healthcare sector now represents a significant percentage of healthcare activity as a whole, though it must nonetheless face up to a number of major challenges:

- The absence of political interest in the private sector and, consequently, of healthcare policy that takes into account both sub-sectors - public and private.

- The deterioration of certain positive experiences in terms of public/private partnerships, more specifically with regard to hospital concessions, that are causing the private healthcare sector to lose interest in these types of initiatives. We believe this to be negative also for the public sector.

- The continuity of a number of insurance policies at very low prices, these being more difficult to maintain in that it is entirely foreseeable that the consolidation of the private hospital sector will be accompanied by an increase in rates to providers.

- Continuing with the improvement and modernization of the private hospital sector.

- Making progress in terms of long-term insurance, with commitments from both parties.

The private healthcare sector is both promising and essential and, within the Spanish healthcare setting, is here to stay.

4. Reforms coming from the government or from the sector?

Agreement between all of the experts and analysts regarding the need for reforms to the National Health System is obvious, as is considerable agreement regarding the content. Within this consensus the most dynamic professionals within the sector appear ever more

active. These are grouped within FACME and other energetic professional institutions, as well as other initiatives and the establishment of clinical management.

Apart from "bottom-up" reforms, fundamentally concerning advances and improvements in clinical management, there is also a need for "top-down" reforms. The most obvious and, in principle, the least difficult, include:

- A Healthcare Information Agency
- Efficiencies in contracting and purchasing
- Professionalization of management
- Autonomy for centers

These are aside from other reforms that are more profound and difficult, though absolutely necessary:

- Funding
- Healthcare personnel policies
- The governance model for the system

It is important to match up actions between professionals and management in the search for greater efficiency and quality within the system, as well as fostering collaboration with leading politicians in favor of reforming the National Health System. Given the difficulties in achieving this with "top-down" initiatives, an attempt should be made in conjunction with those that rise from the "bottom-up", taking advantage of the credibility and prestige within public opinion achieved by the bulk of professionals during the crisis.

5. Overcoming the consequences of the crisis: dealing with obsolescence in terms of equipment - an issue that is not solely a question of money

The serious crisis in terms of technological obsolescence within the National Health System must be addressed in two ways, with both short-term and medium-long term measures:

- **Short-term measures**
    - Activation of a 'Plan RENOVE'-style renovation plan, such as that proposed by FENIN, enabling the updating of the technology stock of the National Health System within a period of around four years.
- **Medium-long term measures**
    - Taking some lessons from the crisis in order to make progress in the renovation criteria for medical technology. This will require:
        - The creation, agreed between the authorities, scientific institutions and tech companies, of a series of **general criteria for the renovation of technology** taking advantage of the prior experience and the steps made by other countries. Only this approach will prevent the repetition of a similar obsolescence crisis in the future in the face of possible unfavorable developments in the general economy.
        - The establishment of value criteria in terms of technology renovation, above all bearing in mind the items that give greatest value to patients.

- Create, within the Health Ministry, a record of the medical technology functioning in the Spanish health care system, both public and private. This would include the age of the equipment and other elements relevant with regard to renovation.

It is clear that there is a need to learn from the obsolescence crisis that we are currently suffering in order to lay the foundations against future repetition.

6. Is there a lack of doctors in Spain?

The proliferation of news items pointing out the scarcity of doctors in certain areas or specializations, as well as occasional difficulties in the hiring of doctors by some companies, may lead one to think that there is a scarcity of doctors in Spain that would be remedied by way of more doctors and, consequently, by raising the "numerus clausus" in medicine.

Bearing in mind that Spain is above the OECD average in terms of the ratio of doctors per 1,000 inhabitants, we feel that the foregoing represents neither the problem nor the solution.

The problems are more complex and related to human resource organization and policies in healthcare. In light of this, we believe that it is necessary to purse the following in order to address this issue:

- The provision of planning of medical needs according to specialization over a 15-20-year time period.
- Adaptation of the offering of places for medical students and 'MIR' (resident physician) training to this schedule.
- Ending of the disparity between graduates from medical school and MIR places that leads to the existence of doctors without proper training.
- Tackling insecurity in medical employment and the low levels of remuneration received by physicians.
- Design of incentives geared towards physicians joining and remaining in certain areas that could be considered less attractive due to any number of reasons.
- Gauge and analyse the causes of the departure of physicians to other countries in Spain, seeking appropriate solutions to an issue that makes us exporters of medical talent.
- The provision of solutions to the anticipated flood of physician retirements within the National Health System.
- Tackling the issue of physician burnout.
- The aforementioned approaches must be undertaken alongside an uptick in the ratio of nurses to inhabitants in Spain until we reach the average for the OECD. This will require a redefinition of professional functions.

The definition of appropriate policies in this area is basic, in that the primary source of quality and efficiency in the system rests in the physician feeling responsible towards the patient and the system, as well supported by the system. In addition, the physician-patient relationship is key to the efficient working and human face of the system.

In healthcare, a focus on professionals is equally as important as a patient centered approach. In other words, it is impossible to center care

on patients if there is not also a focus on professionals, particularly in terms of physicians and nurses.

7. Innovative, high-cost treatments - how to introduce these whilst considering the sustainability of the system

Medicines have made major contributions and will continue to contribute in the challenges and progress of human healthcare, preventing, curing and alleviating illness and disease.

R&D forms the fundamental basis of the sector. This requires considerable effort, great ambition and a huge deployment of human, material and, of course, financial resources.

Citizens within our cultural and political landscape continue to be decision makers that are better or more poorly informed, demand better health, a higher quality of life, greater care, less suffering, reduced dependency and, in addition, they consider the foregoing to be a right.

Aside from their institutional structures and frameworks, governments take the lion's share of responsibility for these demands and make huge budgets available.

This same government also investigates, organizes and intervenes by regulating and setting prices, as well as performing the important task of financing new, approved medication. This process is ever more centralized by specialized European institutions.

Governments and public agencies involved in pharmaceutical policy will have to become more flexible in terms of their management culture, making them more compatible with due accountability. This may require less short-termism and greater daring, compatible with proper guarantees and transparency in the use of common resources.

Aside from stumbling over the difficulty of balancing income and costs, progress and the responses to healthcare challenges in recent years have moved faster than government responses in the regulatory area.

Faced with a challenge, we are consequently looking at an imbalance that requires adaptation by all intervening parties. It is not possible to give up pursuing the progress sought by citizens, the rising curve that has brought humanity to where it is now.

Businesses will have to adjust their investment-profit strategies for new times and this will affect agreed prices and returns in new contexts that are more precise and that provide guaranteed health outcomes.

Far from indefinite price setting as in the past, companies (and the authorities) will have to get used to the following approaches:

- Measurement of the value contributed by the medication, with the methodology chosen. Continuous demonstration of clinical and economic value
- Discounts or bonuses according to results
- Price-volume commitments
- Differing prices according to indication/combination
- Shared risks
- Care and service programs

- Properly evaluated periodic reviews
- Commitments to continued research
- Public-private R&D consortia

The foregoing must be pursued with greater transparency and without relinquishing the earliest and most equitable introduction of innovations within a balanced system that is agreed and sustainable. Though the challenge is considerable and has its peculiarities, there is nothing new about it and society should neither wish nor be able to relinquish progress.

8. Primary Care: Is it rightly assumed as being the fulcrum of the National Health System?

It is generally admitted that primary care produces better health outcomes and at lower costs, in that it:

- Reduces unnecessary hospitalization
- Improves the health of the population
- Favors reduced socio-economic inequality in healthcare
- Shows lower growth in healthcare costs

The strength of primary care varies significantly between countries and may be measured on the basis of indicators. Spain is among the countries with a high level of development of primary care.

In recent years in Spain we have witnessed the expression of a high degree of dissatisfaction among primary care professionals (demonstrations, resignations, strikes, etc.).

The motives for this unrest lie in the funding of primary care, insecure employment, the levels of remuneration, health care planning placed above the needs of primary care professionals, delays for patients and the overburdening of the healthcare system.

In recent times we have seen a flood of reports on primary care: **Primary Care for the 21st-Century, AP 21**, 2006; **Ten Goals of the Primary Care Physician's Forum, 2015; Primary Healthcare in Spain in 2025, AP 25**, 2017 and 2019; **Strategic Framework for Primary and Community Care**, 2019; and the **Response of the Primary Care Physician's Forum to the Previous Strategic Framework, proposing 30 measures**.

These following matters appear to be key:

- The political will to drive the development of primary care as a key component of the system
- The measurement of the value contributed by primary care

Rather than a need for further reports or commissions, it is necessary to take decisive action on the issues identified:

- Focus on the identification of the value contributed by primary care
- The redefinition of the role of primary care and health centers, with an emphasis on their role in the most frequent acute conditions as well as the control and follow-up of the majority of chronic conditions
- Increasing the problem-solving capacity of primary care
- Reducing those activities that do not add value

- Presence of primary care within the community context
- Strengthening of information systems, including digital transformation in primary care
- Making primary care more attractive to professionals
- Publicize the value of primary care among the population, including the need to educate citizens towards not making appointments for trivial complaints (emphasis on self-care) and achieving a commitment towards the maintenance of their own health
- Greater financial resources
- Quantify and cover the needs of medical staff
- Increase the number of nurses and redefine the functions of each professional
- Establish a new model for the relationship with hospital care and social services
- Investigate new management methods that strengthen professional autonomy

The general perception is that volunteerism on the part of professionals, which has maintained primary care throughout these years, is no longer sufficient.

The appearance of conflict in primary care in recent years has at least had the benefit of triggering political reaction, both from the Ministry of Health and, above all, on the part of the autonomous regions.

The role performed by the **Primary Care Physician's Forum** is particularly relevant.

9. Are “new entrants” into healthcare a threat or opportunity for traditional players?

The business model of traditional participants in healthcare will not remain unaltered. It will be radically influenced by the presence of “new entrants” into the sector.

There are four types of “new entrants”:

- **Non-healthcare businesses**, that are making inroads into healthcare, such as Walmart, or Haven - a major health insurer for the employees of Amazon, Berkshire Hathaway and JP Morgan Chase.
- **Healthcare businesses** that are changing their market orientation, such as the American pharmacy network CVS with its MinuteClinic initiatives.
- **Native firms on the Internet**, that were born as healthcare businesses, such as the large number of firms providing virtual healthcare visits.
- **The major platforms** (Tencent, Alibaba, Google, Apple, Amazon,…) ever more present in healthcare, although with differing strategies.

Everything points towards major platforms increasing their presence in healthcare. As indicated, the healthcare world is plagued by inefficiencies and wastage, and where this exists there are major opportunities for platforms.

In general, the “new entrants” are interested in associating themselves with prestigious, traditional operators in the sector, adding trustwor-

thiness to the various agents operating here, including patients and governments.

For their part, traditional operators must consider whether they are interested in associating themselves with one of these "new entrants", evaluating the risks and opportunities entailed. This strategic decision must be taken with the utmost care.

10. How to overcome barriers in projects involving change

The simple proposal of improvements or the formulation of reports is no guarantee of the establishment of certain changes in healthcare systems.

This is due to the fact that healthcare systems represent highly complex organizations. Change is difficult and this often leads to inertia.

Both specific drivers and obstacles to change have been identified.

Certain healthcare organizations, such as the UK *National Health Service*, have designed a change model and commissioned bodies to achieve this.

In Spain, where there is no scarcity of reports and proposals, we nevertheless lack organizations supporting and assisting change.

The difficulty regarding "top-down" initiatives must not lead to entrusting change exclusively to "bottom-up" initiatives, even though these are also necessary. Only certain changes can be driven with "top-down" actions. It is necessary to drive these "top-down actions" using a mature change management model that guarantees the involvement and participation of fundamental players.

Within this context, the barriers to change identified include:

- Social barriers
- Ideological barriers
- Corporate barriers
- Trades union barriers

Nevertheless, we insist that the mere identification of hurdles does not guarantee their elimination. The National Health System must promote bodies that assist in change, work with a change methodology and bear in mind the minimum requirements that all changes entail.

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