

Aligning Interests

5 crucial steps to have your health care system survive

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Who am I?



Who am I?



pameijer



RESPALDO
fsma

Management summary

- Current health care systems: a dying patient
- Old solutions solve old problems, paradigm shift needed
- The 5 points to survival of your health care system:
 - You are not the the center of the universe
 - the end of the single source solution
 - value = innovation + perception
 - understanding the other
 - professional negotiating



Conclusions and recommendations

- change is hard but needed
- Invest in the relationship. Build mutual understanding



Why do we die ?

Pre Historic Age
(100.000 - 3000 BC)

Hunger
Violence

Property, state controlled violence

Civilisation Age
(3000 BC- mid 20th century)

CD's
Influenza, plague, etc

Hygiene (Semmelweis!)

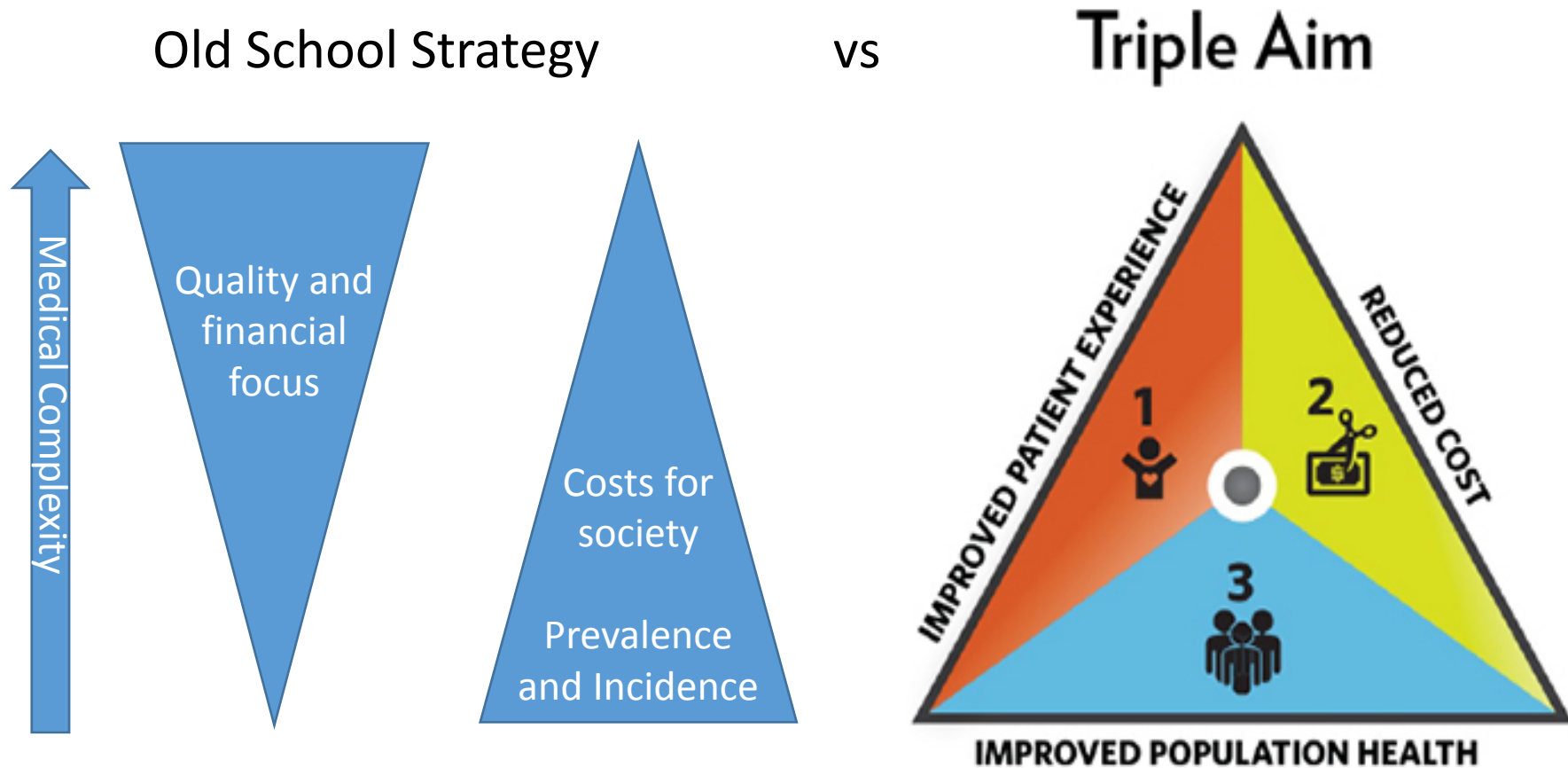
Welfare Age (now)

NCD's

Lifestyle and system change

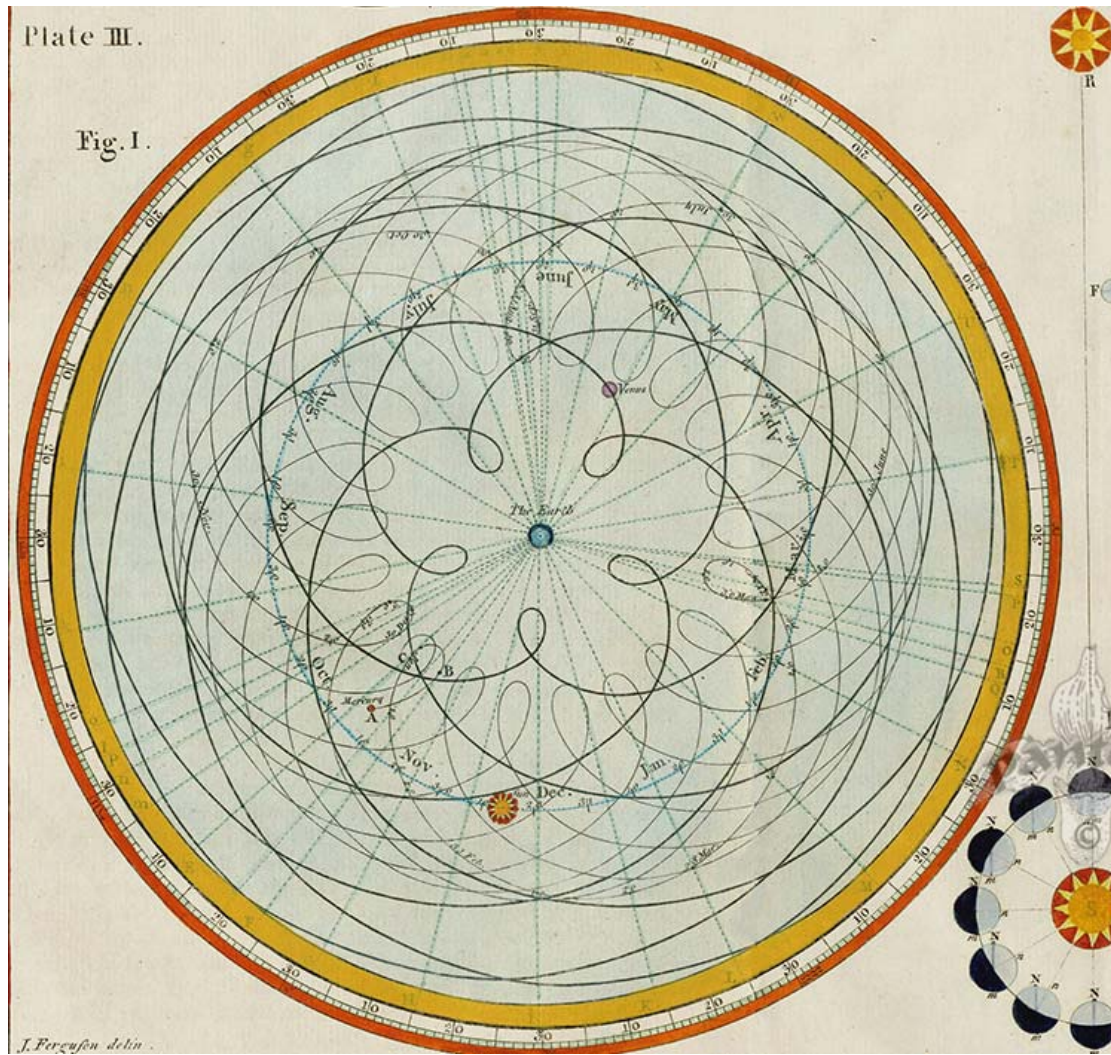
*Medical interventions have had limited effects during each change
(but are very much needed and appreciated!)*

New paradigm: From sick care to health care



We can't solve problems by using the same way of thinking we used when we created them (Einstein)

Centre of the Universe



The End of the Single Source Solution

- Doctor A magician who knows what's best
- Disease Standard interventions to cure the disease
- Patient Be aware of comorbidity
- Individual Quality of life is what matters
- Society NCD's. Culture and life style. Total costs for all. Prevention.
 No 'fix it all' cure anymore but chronic situation.

Entering new stage doesn't necessarily end the former one(s)

Aligning interests between payer and provider



Creating value through creative destruction



Radical strategic change of direction



Value = innovation + perception

Change or die slowly!



Mercedes-Benz



Examples in health care

Developments over time

- Measurement of Quality Indicators
- BIG Data:
data driven policy
- From F4S to P4P (=P4Q)
- Accountable care (ACO)
shared risk & shared savings



Health insurer in NL that will pay extra for quality result



bernhoven

Top hospital in process innovation
Will give away shares to all employees to align interests

In just two hours, Amazon erased \$30 billion in market value for healthcare's biggest companies

By Preeti Varathan - January 30, 2018

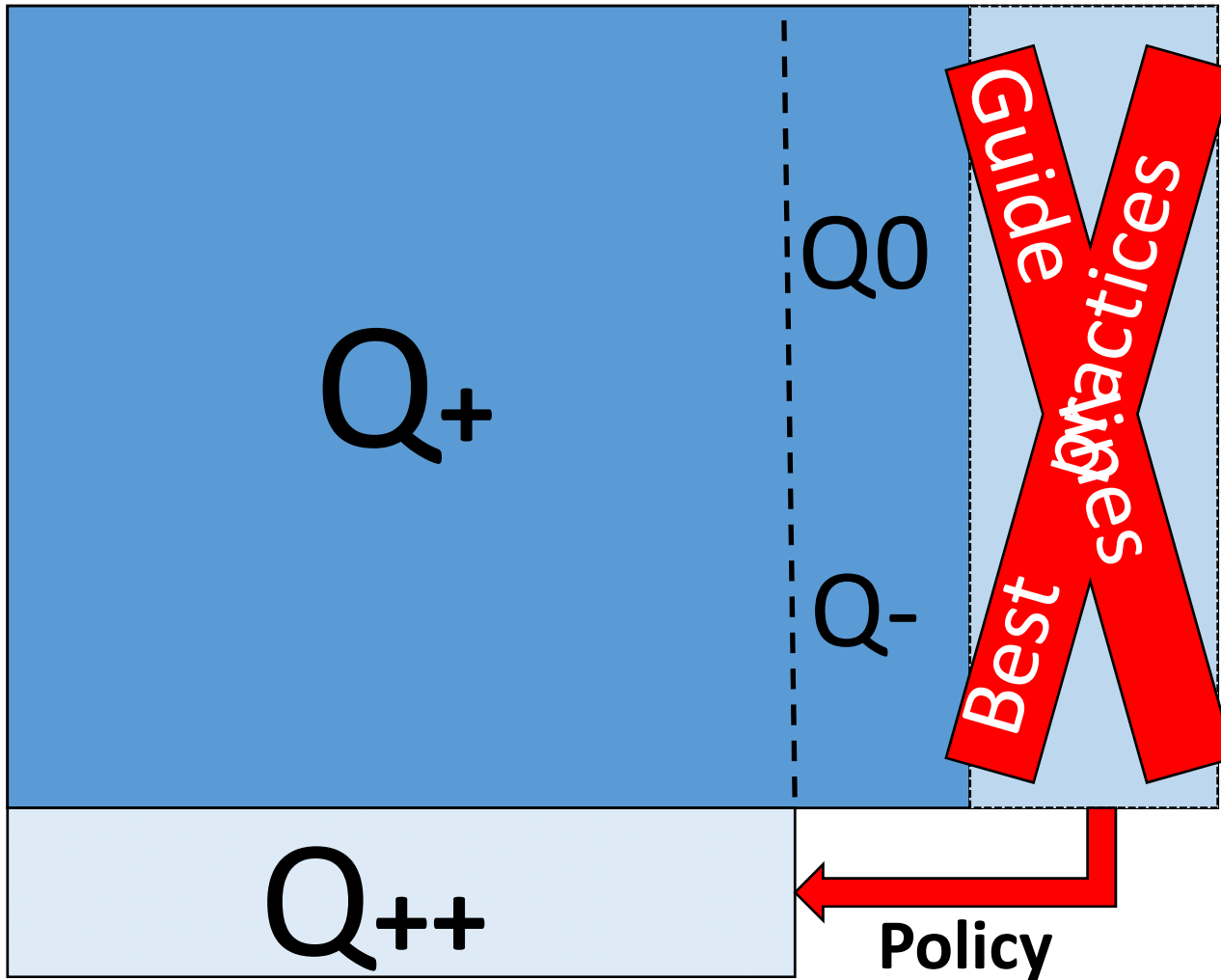


Value ≠ Costs ≠ Price

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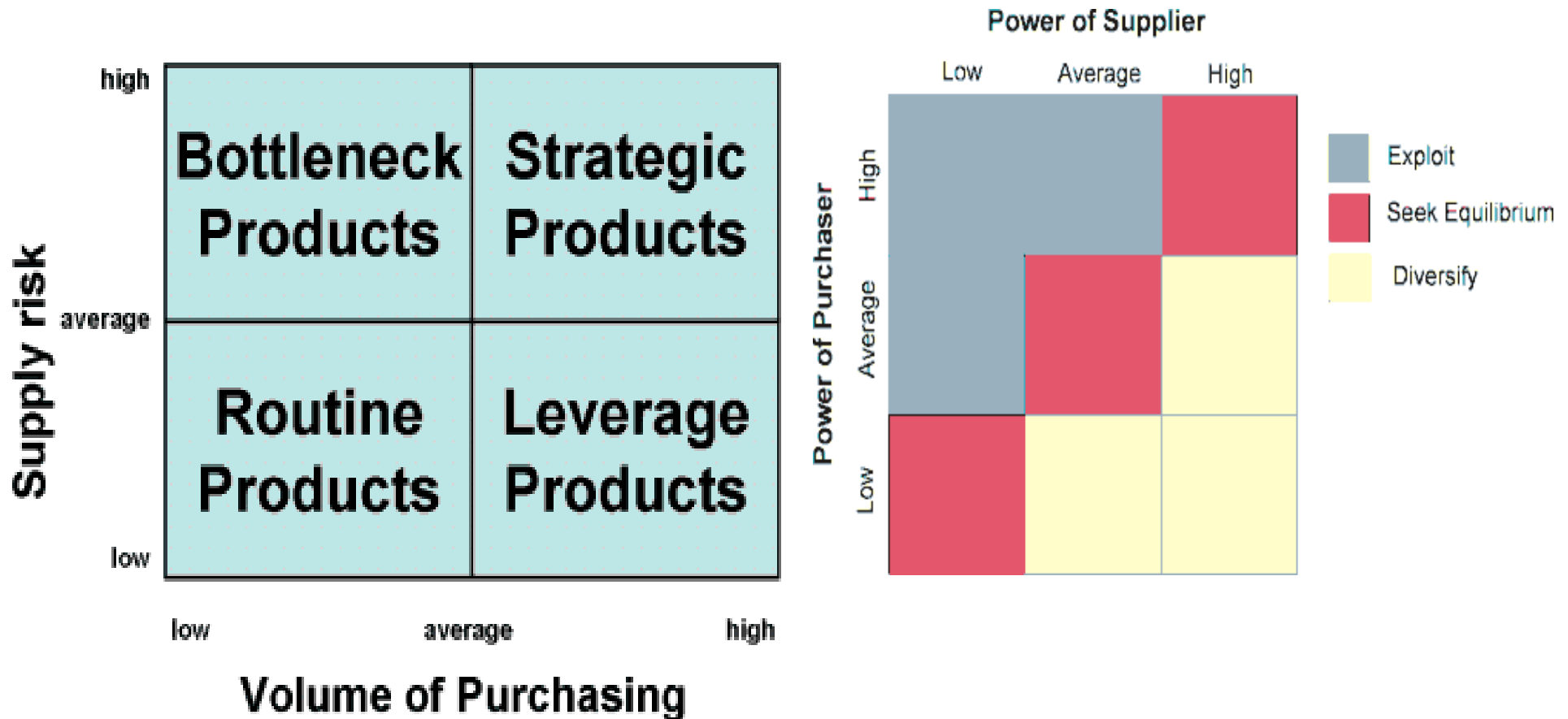
'Quality First' policy



WHO 2014:
20-40% of all
health care
expenditures
are wasted

The natural
order of things:
Quality first,
money follows
by itself

Theoretical background on health care procurement (Kraljic)



Procurement strategy needs to be based on the strategic importance of your supplier.

A payer's policy: Mission statement explained

Payer wants to	<ul style="list-style-type: none">• Insurer makes a conscious and positive choice for a good relationship with healthcare providers
pay everything	<ul style="list-style-type: none">• No pre-fixed financial limitations
market parties	<ul style="list-style-type: none">• Providers compete with each other, the UO has possibility to choose between providers (within reasonable boundaries)
objectively need	<ul style="list-style-type: none">• Transparency of costs is required to continue and to justify spending on care to our stakeholders
to provide	<ul style="list-style-type: none">• A visible performance by the healthcare provider
desired quality	<ul style="list-style-type: none">• Care must have verifiable criteria for quality. The motto: right care, right place, right time

Health care negotiating

What is negotiating?



Always and everywhere

Changes in health care



Common mistakes

'Zero sum' approach

If you win, I must have lost. Your input is opposite to my goals.

Tough attitude to both content and person

Bad atmosphere blocks creativity and openness

Focus on position instead of interest

My position is fair, so moving away from it feels like losing (lack of empathy)

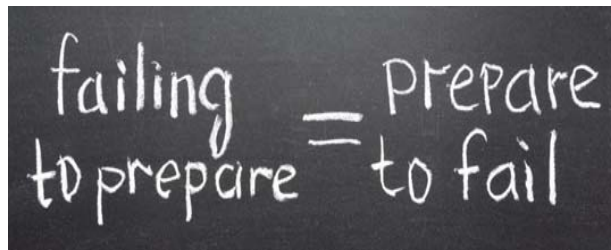
Hurry, committing to outcomes in the middle of the process

Fast agreeing when within mandate. Give away without return

Insufficient preparation

There can be only one favorable outcome

Then how?



failing = prepare
to prepare = to fail

Prepare, prepare, prepare

Own interests and goals (needs, wants, nice to have's)

The other side's interests and needs

Possible positioning and arguments of both sides

Negotiation rules

BATNA

Long term, so focus on partnership

Maximize the perception of what you can bring

Do not sell BS

Respect the other side

Get to know each other's interests better over time



Be patient during negotiation

Bring and extract information (ask 'why is this important?')

Do explorative exchanges ('what if ...')

Use time outs

Continue improving the deal even after closing it

Negotiating Dimensions



Assumption vs verification



Framing vs rule setting



Attitude



Mandate



Honesty vs manipulation

Take home messages

Value \neq Costs \neq Price

Always start with positive incentives

Transparency: trust, but verify (never assume!)

Adept to the change: invest in your own organization

Invest in good relationship with the insurer, build trust

90% of all problems that people cause, come from bad communication

Management is about the why and what. So allow your people to find the how