



-Public-Private- Partnering
To
Achieve Sustainability
In
Health Care



Building Sufficient Pool Risk

- Planning and predicting health needs of small populations.
High-cost drugs, Complex Procedures, High Tech Facilities

Financing Comprehensive Care

- Flat or declined revenues
- Global economy volatility
- Many jurisdictions income tax only
- Limited mechanism of collecting contributions

Specialist Services Available

- Limited capacity for full range of services
- Finding Talent to Implement and Operate

KPMG

Challenges of Caribbean Territories

Making Health Care A Right? Requires Private Public Arrangements!

Right?



or

Privilege?



It is a Right only if it is...
Accessible...Available...Affordable



Silo-ism!

**The Rate Limiting
Step in
Public-Private Arrangements**

Silo-ISM – Duplicated System

Public Health Care	Private Health Care
Public Hospital	Private Hospital
Public Doctors	Private Doctors
Public Funding	Insurance Funding
SafetyNet Health Care (Poor)	Private Health Care (Wealthy)

A House Divided Against Itself Cannot Stand



Silo-ISM

Eliminating the Silo Effect in Healthcare Organizations

- Silos Exist to Limit Information Sharing
- Perception that One Party Wins When Everyone Loses
- Negative Impact on Financial Health of A System, Patient Outcomes
- Causing Waste and Inefficiencies
- USA Waste Due to Siloed Health Care System -- Ranges From \$178B to \$268B Annually -- JAMA 2019

Vikram Savkar, Senior Vice President & General Manager, Medicine Segment of the Health Learning, Research & Practice business at Wolters Kluwer





NO SILO'S

Consolidation: A Powerful Winning Strategy for Caribbean Health Care

Sustainability – Risk Distribution - Bargaining Power – Leakage Avoidance - Economies of Scale

Transformative Healthcare in the Caribbean

JIPA Network



Healthcare Providers

IPA (Independent
Provider Association)



Payors

Pool risk and stratify
coverage (SPRC)



Patients

Covered Lives Under
Management Strategy



Silo Elimination

-Starting Point-

Transformation of Health Care
Financing

Universal Health Care (UHC)

Also known as National Health Insurance (NHI)

Consolidated Financing Mechanism

A contract that a nation has with its
people

to provide health care as a human right





Anti-Silo-ism Drivers

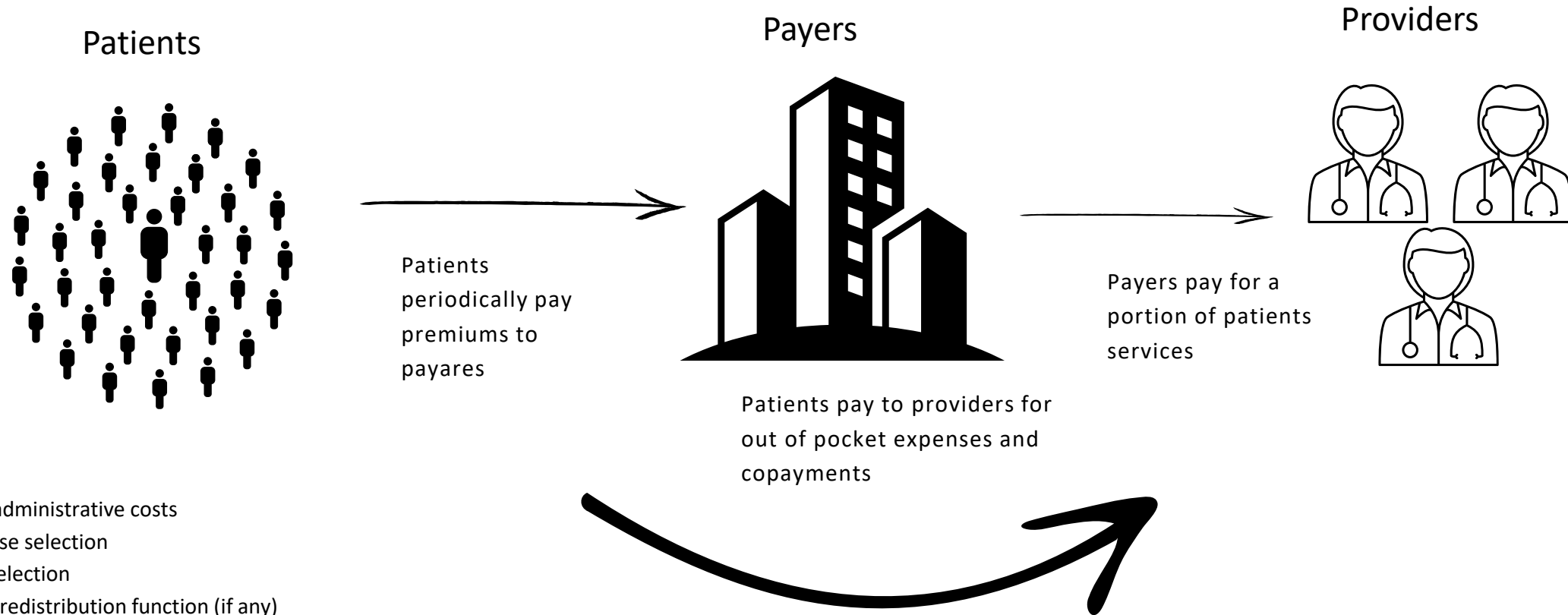
Changing Health Care Models For Sustainability

Stratified Pooled Risk Over A Segmented

Financing Model

Segmented Model

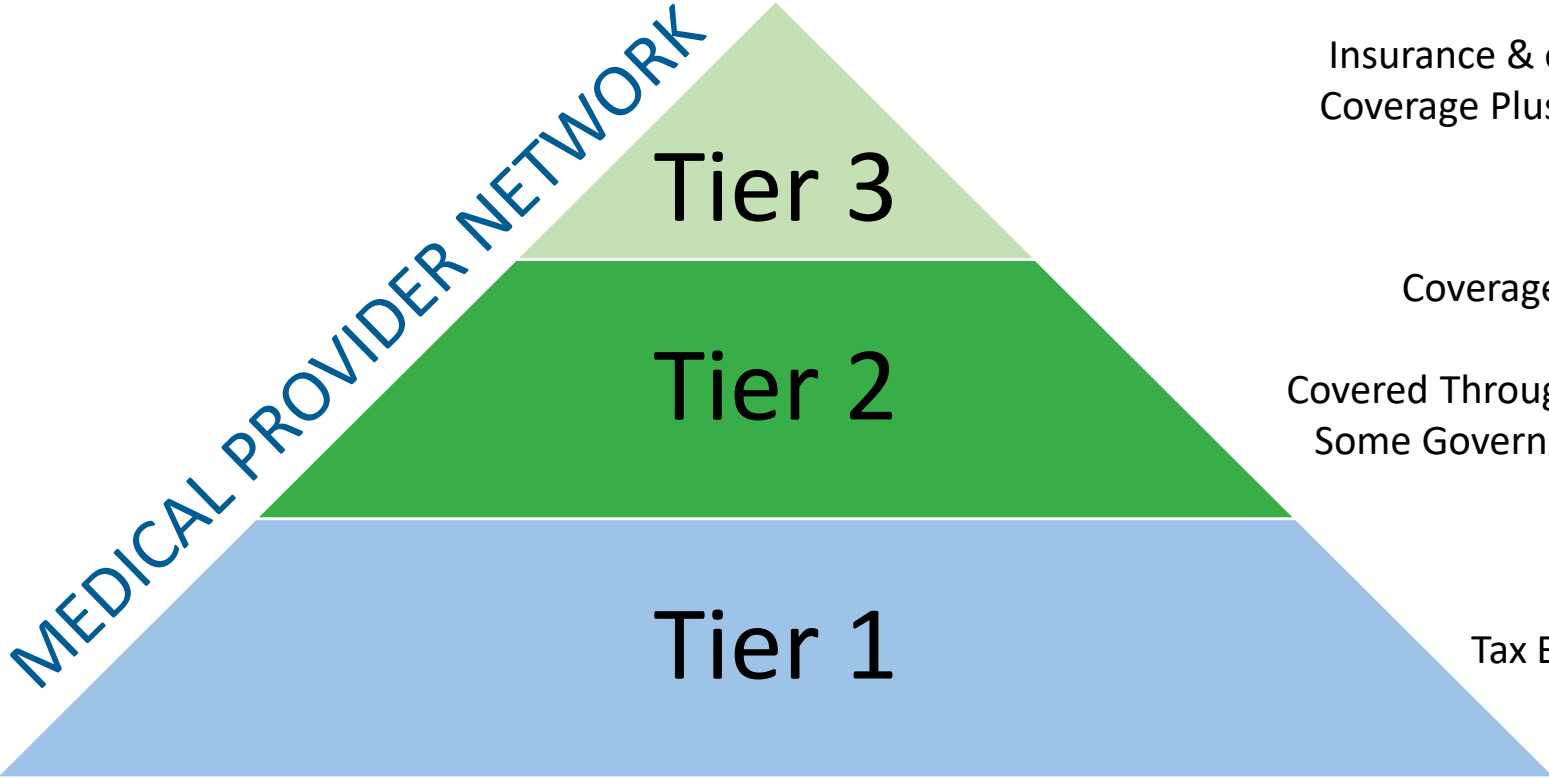
Multi-payer & Multi-payment



- High administrative costs
- Adverse selection
- Risk selection
- Small redistribution function (if any)
- Small and unstable risk pools
- Weak purchasing power
- Government has weak control over total health expenditures

Reorganization of Capital and Risk – Stratified Over Segmented!

Proposed Model: Stratified Pooled Risk Coverage (SPRC) Model



Insurance & or Re-Insurance Layer, or Government Base Coverage Plus Additional Premiums & Additional Benefit Cover Catastrophic Care & Tertiary Care above Strata 2 to Max

Coverage over Tier 1 Maximum Dollar up to a Tier 2 Maximum Dollar Coverage. Covered Through Private Insurance, Self-funded Employer, Some Government for the Indigent and Persons with the Ability to Pay

Government Funded NHI – Tax Based Covering Care Already in the system– Dollar 1 to a Max Dollar Amount

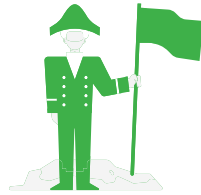


Opportunities Through NHI

What Must Change?

NHI - Caribbean Territories

Lessons to be learned from previous NHI Implementations in the Caribbean Territories



Colonial Model

Colonial Model of Health Care --Silos System
Where Seniority takes Precedence Over Merit



NHI & Health Authority

Separation of NHI from Health Authority –
A **Must** – For Financing to be Effective



NHI, Social Security and Workers Compensation

Separation of NHI from Social Security and Workers Compensation



NHI - Only Primary Care

NHI without (Complex Care) Specialty, Hospital and Catastrophic Care – Necessary to Achieve Universal Health Care



What Must Change?



Tax-Payer Based Only

NHI largely Government funded (taxpayers) without inclusion of the private health insurance, self-funded and other financing mechanism



No Provider Network

NHI with single network or without Care Coordination – Who goes out for care, who stays and where do they go for care



NHI - Only Fee for Service

NHI without prearranged and pre-priced health care, without consolidation or GPO's



Limited Stakeholder Participation

NHI without stakeholder participation

Health System Strengthening: Public-Private Partnerships

A Consistent Way to Pay For Health Care!



A Way to Pay for Health Care



Acquiring and Maintaining Medical Technology



Companionate Economic Drivers of Health care



Retaining Specialists



Acquiring and Producing Medical Products



Managing Overseas Care



Trained Staff and Providing Employment





Consolidation of Capital For Health System Strengthening

Investment Fund – Private and Public

- Equity Financing Over Debt Financing
- In Kind – Service & Assets
- Capital Contribution

There May Be Enough Money in the System – What Evidence?

Using the EC Dollars -- We Have!

Government of Grenada	\$	90,000,000
Seniors \$130 PMPM X 20,000 Persons	\$	31,200,000
Private Plans	\$	15,000,000
NIS – Injured Workers	\$	50,000,000
Visitors/Expats – Collection System	\$	12,000,000
Subrogation Injuries – Accidents	\$	20,000,000
International Workers	\$	5,000,000
Grants & Philanthropy	\$	40,000,000
Out-of-Pocket Expenditure (EC\$90 M)	\$	30,000,000
SGU – Students, Faculty and Staff	\$	10,000,000
Total	\$	303,200,000

Gilchrist, Curlan. “A Strategic Approach to Finance Health Expenditure in Grenada in a Post COVID-19 Environment” 26. August 26, 2020



Organizational Purpose:

For-Profit

Not-for-Profit

Hybrid

- USA Tax Code – Designed to Support Non-for-Profit
- Trust, Gifts and Family Foundation – Expats
- Policy Makers in the Caribbean – Stimulating Investment Through Creative Incentives
- Attracting Investors – Expats, Private Corps, Philanthropy, NGO's & Govt Organizations
- Shovel Ready
- Sustainable Organizational Infrastructure and Models



Financing Models:

**Purely Private Consolidated Financing
Servicing Private & Public**

**Public and Private Capital Consolidated –
Servicing Public and Private**



Examples:

Purely Private Consolidated Financing Servicing Private & Public

- **JIPA Network – Many Caribbean Entities**
- **Physician Alliance – Princess Margaret Hospital - Bahamas**

Public and Private Independent Capitalization – Sharing Recourses Servicing Public and Private

Jackson Memorial – University of Miami



JIPA NETWORK

Plans of Care

300,000

12,290

24/7/365

Provider Network

Immediate Access

JIPA NETWORK OUR RESULTS

Patients Served

Cost Savings
Secured

19

5,832

\$230MM

\$83MM

Government
Agencies Served

Claims Managed

Economies of Scale Cost Savings Sample



	Service Location	Treatment Summary	Service Provider	Quoted Hospital Cost to Patient	JIPA Negotiated Cost for Patient	Savings to Patient	JIPA Discount %
United States	Miami, FL	Traumatic Brain Injury Surgery and Rehab	Facility/Professional	\$710,894	\$95,091	\$615,803	87%
	Miami, FL	Malignant Neoplasm (Breast); Biopsy/Diagnostics, Surgery, Chemo/Radiation	Facility/Professional	\$388,000	\$98,000	\$290,000	75%
	Miami, FL	Heart Transplant	Facility/Professional	\$461,243	\$278,600	\$182,643	40%
	Miami, FL	Pubic Symphysis Dislocation, Right Sacroiliac Joint Dislocation, Left Acetabulum Fracture	Facility/Professional	\$288,515	\$123,499	\$165,016	57%
	Hialeah, FL	Adenocarcinoma-Ovary TAH, BSO+	Facility/Professional	\$122,070	\$28,000	\$94,070	77%
International	Colombia	Male Newborn, Complex Cyanotic Heart Disease, Malposition of Great Arteries, Pulmonary Atresia, Heart Surgeries, Transport (Air x2, Ground), 12 ICU Days, 18 Regular Days	Facility/Professional /Air Ambulance	\$200,000	\$120,000	\$80,000	40%
	Panama	Malignant Neoplasm (Breast); Presurgical, Bilateral Mastectomy/Reconstruction, Chemo/Radiation	Facility/Professional	\$119,890	\$60,905	\$58,985	49%
	Trinidad	ESRD on Hemodialysis, Infective Endocarditis, Klebsiella UTI, Myelodysplastic Syndrome with Anemia, Hypertension, Gastric Polyp - Tunneled Left Internal Jugular Vein Permcath, Left Brachiobasilic Vein Transposition AVF, Upper/Lower Endoscopies with Gastric Polyp Biopsy (24-day admit)	Facility/Professional	\$91,650	\$48,713	\$42,937	47%
	Colombia	Lumbar Herniated Disc L4-5, L5-S1 with Subluxation of L4 on L5; Discectomy with instrumentation fusion and interbody cage	Facility/Professional /Air Ambulance	\$62,475	\$36,883	\$25,592	41%
	Colombia	Aneurysm of Posterior Cerebral Artery	Facility/Professional	\$46,119	\$31,822	\$14,297	31%



JIPA Network Proprietary Information



Anti-Silo-ism Drivers

Changing Health Care Models For Sustainability

- ❑ Shift -- Premium to Care Model
- Population Health Care--

CARE

VS

PREMIUM MODEL

CARE MODEL CONSOLIDATED



- Health Plan - First
- Focus on Care
- Cover all Risk Groups
- Cradle to grave coverage

CARE MODEL

CONTROL COST



- Control Cost – Care Level
- Pre-arranged and Pre-negotiated Services
- Collective Bargaining & Consolidation

INSURANCE PREMIUM MODEL -

SILO



- Focus on Premium-Benefits -First
- Cover Up To 65 yo
- Cover Low Risk Groups
- Property, Car and other Ins. - First

TRADITIONAL MODEL INSURANCE

COST MODEL

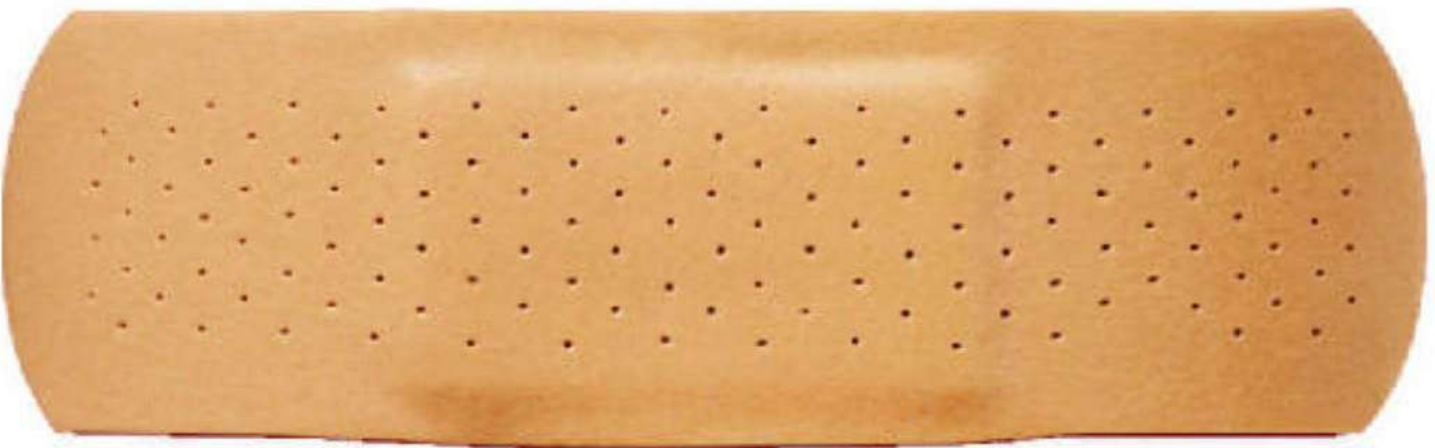


- Control Cost Benefit Design
- Negotiated After Care is Rendered
- Small Fragmented Silos - Competing

Major Shift -- Care & Provider Centric & Patient Centered Care Models

No Band-Aid -- Consolidate Through Public-Private Arrangements!

Sustainability



Policy Makers

Political Will and Political Capital

A

Must!



**No
To
Silos!**

**Just because we are islands...
Does not mean we have to operate as
islands**

