



Healthcare Transformation in the Middle East

A perspective from E3 – www.e3corp.net

Transformation

— change in form, appearance, nature, or character



What is Healthcare Transformation?

Throughout the world, healthcare organizations are failing to meet their objectives of providing affordable, timely and effective health and wellness to the majority of their people.

These issues have been clear for a long time and well meaning, motivated organizations and institutions have tried to remedy the problems with a broad range of incremental changes. Most experts agree, however, that small changes and stop gap measures are ineffective and will not change the underlying causes. If meaningful and long lasting improvements are the goal, then there must be a substantial and clear change in the approach to healthcare.

A transformation is required.



Here are just a few quotes from institutions and think tanks from around the world, showing the pervasive need for healthcare transformation:

“Our health care services have evolved to a “find it and fix it” orientation, which may work well for short-term health problems but does not match the complex, ongoing needs of people with chronic health conditions....A major conversion – a “prevent it, find it, manage it” approach – is the vision behind current efforts to transform primary health care in Canada.” Why Health Care Renewal Matters,

The Canadian Health Council

“Small changes or reactionary fixes to separate pieces of the current system have not and will not work. We need a system-wide transformation.”

The (USA) Center for Health Transformation

“Healthcare is in crisis. While this is not news for many countries, we believe what is now different is that the current paths of many healthcare systems around the world will become unsustainable by 2015. Healthcare systems that fail to transform will likely “hit the wall” and require immediate and major forced restructuring – a “lose-lose” scenario for all stakeholders.”

**IBM, Healthcare 2015:
Win-win or lose-lose? A portrait and a path to successful transformation**

“The HIV epidemic demands nothing less than a radical transformation of how we approach health care in developing countries”

The Secretary General of the United Nations

“Il faut laisser le temps au temps (the need to evolve at its own pace), said Francois Mitterrand, the former president of France. But even for a rich and cautious country like France, time for health care reform has run out. Negative events have converged that demand action.”

David Amar, Pharmaceutical Executive magazine



What Are the Drivers Behind This Transformation in the Middle East?

Demographic Change: One principal driver in the Region, is the shifting demographic balance. A recent article in The National (authored by David Graham) addressed important factors in the Region, “Throughout the GCC, rising incomes are expected to lead to lower birth rates, creating a population weighted to older age brackets. As has been the pattern in the West, while ageing and increasingly wealthy populations reduce the incidence of communicable diseases, they see an increase in chronic diseases.”

McKinsey and Company, the consultancy firm, recently predicted a 240 per cent leap in demand for health care services in the region, with particular increases in cardiovascular health (410 per cent) and diabetes care (323 per cent), both regarded as diseases of affluence.

Strain on Infrastructure: According to a recent study, population in the Middle East has exceeded 370m and is estimated to reach over 520m by 2030. Much of this growth is fueled by a massive expatriate influx. Such high growth is placing intense strain on the health infrastructure, and healthcare markets in the Gulf region are changing quickly with an estimated annual growth of 15%.

Saudi Arabia, for example, plans to increase the numbers of hospitals from 264 to over 500 in next 7 years. Similarly the UAE healthcare market is projected to rise from \$3.2bn in 2005 to \$11.9bn in 2015.

Health Insurance: As the standards of public healthcare are perceived to decline (or not keep pace with the private sector), private institutions inevitably arise. A recent AME Info article ran with the headline

“Demand for private health insurance products has risen significantly since the start of 2007, as companies and individuals look to protect their health against a backdrop of a rising level of uncertainty about future provision of coverage”.

Saudi Arabia has an expatriate population of seven million, making it potentially the largest health insurance market in the region. Consequently, recent estimates predict that the KSA insurance sector will be worth more than SR15 billion by 2009.

In the UAE, private health insurance has risen to the top of the agenda with Abu Dhabi recently passing a law requiring all employers in the Emirate to provide minimum cover for their employees. Dubai recently unveiled a state mandated insurance system that attempts to provide universal coverage, and requires private organizations to insure their employees and families.

Private Sector Interest: The combination of high growth in the demand for health services coupled with clear support from the regions leadership, has spurred private sector institutions to invest heavily in the Region. Since 2000, IFC, for example, has provided \$536 million in financing to 47 private health care projects in 25 countries. Similarly large international private sector organizations are rushing to this high growth market including pharmaceutical, informatics, and medical equipment and private sector health institutions.

All of the aforementioned factors and driving dramatic and long lasting improvements in the Regions healthcare. The transformation has truly begun.



Transformation Examples

There are several tangible indicators that the transformation is well underway.

Leadership: Many of the Regions leaders recognize the need to transform there healthcare infrastructure, and are driving change from the top down. Dubai ruler Sheikh Mohammed bin Rashid Al Maktoum, has recently established a National Health Council. The new council will coordinate actions between federal and local healthcare delivery establishments and authorities, as well as the private healthcare delivery sector to ensure integration of work and improve the standards of healthcare delivery services in the country.

International Coalitions: The primary objective of any healthcare institution must be to improve the quality of patient care and outcomes. A growing trend is for regional institutions to partner with international institutions that have a proven record of healthcare excellence, to improve patient care at the bedside. Johns Hopkins Medicine International, for example, charter is to partner with local institutions and directly impart best practices. The Clemenceau Medical Center, the first Hopkins-affiliated hospital in the Middle East, first opened its doors in 2006 in Beirut, Lebanon. The General Authority for Health Services in the United Arab Emirates, a local government body in Abu Dhabi, asked Hopkins to oversee the operations of its 469-bed Tawam hospital.

Similarly The Cleveland Clinic, recently took over the management of Sheikh Khalifa Medical City (SKMC), a network of healthcare facilities in Abu Dhabi.

Major New Facilities: In anticipation of the rising demand, there are a variety of innovative new institutions being created to promote and support high standards of healthcare. In Bahrain, for example,

the \$1.6 billion Health Island (Dilmunia) entails the creation of international standard health and wellness facilities in a resort-style environment. The project will be constructed on a man-made island off the north-east coast of Bahrain and will include a state-of-the-art diagnostic centre, nutrition/diabetes centre, cosmetic surgery, aesthetic medicine centre, women and children centre, alternative medicine centre and sports medicine centre. The project will also include deluxe spas and boutique hotels as well as residential clusters, commercial facilities and recreational amenities.

Growing Accreditations: Governments are mandating, and institutions are embracing, international accreditation as a tangible and measurable way to improve the quality of care. Joint Commission International (JCI) including Joint Commission on Accreditation of Healthcare Organizations (JCAHO), for example, was appointed by Dubai Healthcare City (DHCC) to accredit hospitals operating within DHCC. Since 1999, JCI has accredited more than 100 hospitals in 23 countries throughout the world. Five hospitals in Abu Dhabi have been inspected and accredited by the Health Authority Abu Dhabi in partnership with the Joint Commission International, reported Gulf News. Across the UAE, a total of 14 hospitals have been accredited by JCI. HAAD's partnership with JCI is an initiative to make sure licensure standards are applied in hospitals, ambulance care and continuum care.



How Can I Institute a Transformation in My Organization?

At E3, we specialize in helping healthcare institutions transform their operations, and we welcome the opportunity to explore your needs and goals. While every institution is different, patient-centered, quality-oriented transformation is at the core of all successful transformations

1. There has to be a pervasive desire to change at the leadership level. This desire can be measured by the both the level of financial investment committed to the change, along with the adoption of change governance committees staffed by the institution's leadership.
2. The goals and objectives must be clear and measurable, e.g. accreditation, patient throughput, health outcomes, waiting periods for essential procedures, etc
3. You need to identify what cultural changes need to be made and what resources need to be marshaled to institute those changes?
4. Given that the Region is changing, you will need to address new issues/ opportunities such as insurance, patient billing, financial accounting and fraud prevention, etc
5. You will need to work close with other facilities and institutions to ensure widespread change.

E3 is at the forefront of this change providing innovative technologies to transform clinical and administrative operations. We are experts in patient billing and healthcare resource planning, and we can help you transform your operations improving standards of patient care, and preparing you for the demands of the future.

To learn more, go to www.e3corp.net.

