



**Paul Garassus, president of the European Union of Private hospitals:  
"Greater flexibility, innovation, investment make private hospitals the key partners in times of budgetary restraint"**

The UEHP has the patient as its central concern and the standardization of access and quality of healthcare as its mission. In an exclusive interview to our newspaper, the president of the European Union of Private hospitals shared his 'vision' for a sector in expansion. Dr. Garassus received us at the headquarters of the Portuguese Association of Private Hospitals (APHP), in Lisbon, in the morning before a meeting with the minister of Health, Adalberto Campos Fernandes. A meeting that, in accordance with the UEHP President, took as his motto the sharing of informal expectations in relation to the future of health

**Newspaper | It says on the website of the European Union of hospitals (UEHP), that your organization has to be "very defensive." Why is that so?**

**PAUL GARASSUS |** This is a question that has already lost a bit its relevance today, and I have to explain why... Frequently, the hospital industry in Europe felt a little "abused" by governments. Governments who have important responsibilities in the management of the health systems, always supported public hospitals and public healthcare providers. The private sector has always suffered from a certain difference in treatment and consideration on the part of politicians.

After the creation of the UEHP - about 25 years ago –it prevailed within the organization a certain militant spirit, in order to claim equality face to the public sector. More recently, the UEHP sought to adopt a different attitude, which was not as demanding and critical, nor against other actors of the healthcare system, but more based on our specificities and forces. We are aware of the advantages that we present, in particular, the ability to adapt to medical innovation and technology.

Thus, we dropped the more critical and activist message. This is less important than a forward-looking approach, in which we show that we are actors ready for the challenge of innovation in health.

**JM | and this less "activist" approach is working?**

**PG |** The new communication strategy of the UEHP was adopted because we realized that the fundamental goal to achieve is the balance of the health care system, and we must be positive partners and not just critical actors, for this balance to be effective. To be positive we have to

be pro-active and real actors of change, we have to make our strengths and talents known and appease this more critical side. Thus, the communication strategy for each country, and to each government, is to show the qualities of the private sector, and at the European level, be recognized by governments and by political actors as a possible solution to the stability of the health care system.

Nowadays, we are recognized by most of these actors... Last year, we held our congress in Milan, with the participation of parliamentarians and members of the European Commission (EC), with a strong message: the private sector is useful and efficient for the European health system. And this is a strong recognition, fruit of our current strategy.

**JM | At a time when Europe faces economic problems and structural policy, what are the main challenges for the private sector and what role can have, in this context, the UEHP?**

**PG |** This is the most important question... And the answer can be summarised in three points. In the first place: public health and permits to exercise by national regulators.

Secondly: budgetary constraints. Health is increasingly expensive, with spending on health to oscillate, in Europe, between the 7% and 11% of national wealth. In several European countries - especially in Portugal, which has suffered a great deal with the economic crisis -, we have been forced to reduce costs at the same time that we have increased the quality. Our job is to find solutions to have quality and reasonable care within a health system financed by public funds. I sincerely believe that the private sector is extremely effective and that our position is a positive competition.

Thirdly: innovation. The great technological revolution is happening and an example of this is the outpatient surgery. It is an effective coordination of care. The private sector has a duty to permanently adapt to technological innovation and, in this area, the technologies of information are essential for the follow-up of the citizen and for the improvement of the quality in the provision of care. However, there is a crucial problem: financing. Nowadays, hospitals are required to be actors in coordination with other actors of the healthcare system, but we forget to assign a specific budget for the creation or development of technologies of communication/information necessary for the management of the patient. The UEHP hopes, as such, can be included in the technological reforms at the level of the hospitals with a specific *budget* for information technology.

**JM | The financial crisis provided an opportunity for private hospitals?**

**PG |** Obligatorily. We must not forget that the problems of Portugal are Europe's problems, and that the problems of Europe also live in Portugal. The economic and financial crisis has been felt throughout Europe. And throughout Europe, the private sector has had to adapt. I am convinced that the private sector is one of the possible answers in a scenario of budgetary constraint. And Why? To the extent that introduces greater flexibility and innovation, strategic vision and an investor mind - characteristics that can perfectly set up solutions to the structural constraints experienced by Member State.

**JM | In Portugal it is customary to say that "Health has no Price", but the truth is that it has... The private sector generates millions of euros. How does the UEHP respond to this derogatory "label" of health as a business?**

**PG |** This formula that "health is priceless" exists in all languages. But even it does not have a price, health still has a cost, and the crucial question is where to invest public money in order to enhance the quality of care.

Currently, the prospect of private sector development is strongly guided by efficiency. What we stand for, at European level, is to set the guarantee of a quality service for the patient. It is not important if this guarantee is given by public hospitals, by private non-profit organizations and by private for-profit hospitals, the important issue for me is that the budgetary balance is respected, as long as quality of care is obtained in patient service.

The hospitals are not an exception regarding the financing of the private sector by public money. The pharmaceutical industry and the medical devices have similar characteristics. We know that in OECD member countries, one third of expenditure on health is done in hospitals, another third with medicines and other services. Then why are the hospitals more criticized...? The private sector must develop transparency, ethics and the notion that the provision is effective for the rate assigned by governments. The private sector offers a quality response to the patient. For me, the high priority in the private sector is the quality of care, responsibility and respect for the budgetary balance.

**JM | What values underpin the UEHP?**

**PG |** The patient is at the centre of our activity. And this is not a mere statement. The patient is our true investment! The values that underpin the UEHP are three: equity in access and quality, mobility/freedom of choice and efficiency/responsibility in scenarios of budgetary constraint.

**JM | We are talking about the health sector, but can the adjective "healthy" be used to characterise the contest/competition between public and private sector?**

**PG |** This is a question rather difficult, since it is considered, on several occasions, that there is a clash between the public sector and the private sector. Personally, I can say that I have a deep respect for the public sector. The aim of my action is the quality of the service, and I see the idea of a competitive situation as an advantage. It is necessary to emphasize that it is not the private sector that says that this competition is positive, but the EC. This premise is essential, to the extent that we abandon a vision of monopoly of a public regulator, assuming that the diversification of supply is a service to the citizen and is a recommendation. It is difficult to accept due to the history of health systems of all the Member States. We respect that, but the diversification of supply is a plus.

**JM | Do you consider that public expenditure on health is excessive in Portugal, by comparison with the European reality?**

**PG |** I cannot, nor will I interfere in national affairs but I can assure you- because I also am involved with the Association of Health Economics in France – that in the near future, expenditure on health in Portugal and in other European countries will increase. Why is that? Due to ageing of the population, better access to health care, the emergence of new medical technologies... The real concern should be that this expenditure, even though it is growing, is reasonable. We must make sure, above all, that the money spent, is spent effectively. I do not see this issue in a market logic, but a logic of optimization of the provision of care, in which the role of private hospitals - such as the drug industry and medical devices - can be extremely helpful. I just wish that private hospitals may be partners and, in response to your question, yes, I hope - and this is a positive vision - that spending on health in Portugal continues to increase, since the population not only needs it and will also benefit from it. Always making sure that the budgetary balance of Member States is respected.

**JM | In Portugal there is a visible "promiscuity", due to the fact that healthcare professionals - including doctors - work both in the public and the private sector. What is the position of the UEHP on exclusivity of functions?**

**PG |** This is, in fact, an aspect very particular to the Portuguese reality, but which is not reflected in other European countries. I am aware that there is, also in Poland, this mixed activity by health professionals. In the main countries of UEHP - France, Germany and Italy - the vast majority of health professionals, especially physicians, work exclusively in one of the two sectors. There are no rules, nor do I like to argue in favour or against exclusivity. What I can say is that it is also the mission of the private sector to manage human resources increasingly rare: physicians. I can also confirm that the main motive of private hospital

community is to monitor health professionals (not just medical), so they are ensured the best conditions while exercising their functions, their training and continuing education.

**JM | Can you raise the veil on the issues which will be discussed at the meeting this afternoon with the minister of health?**

**PG |** All I can say is that I feel very honoured by this invitation. This is an informal meeting where I can learn more about a country, which is essential within Europe, as well as share the main points and priorities of the UEHP.

My only desire is to seek cooperation. The UEHP represents a group of healthcare providers, whose duty is to be effective and well organized in scenarios of economic constraint, defending the equality in access and quality of care.

We do not have a militant speech, but rather a discourse built on European recommendations. Portugal has always been a very active member of the UEHP to anticipate all the structural issues, such as the freedom of choice and the mobility of patients. I have no other aim than to explain that my work area is based on being an actor of therapeutic innovation, quality and competitiveness, and that hospitalization area is useful in optimizing the provision of health care.