Quality of jobs and Innovation generated Employment outcomes

QuInnE.eu

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Patients, Personnel and Profits: Improving healthcare for international patients

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QuInnE - ***Qu****ality of jobs and* ***Inn****ovation generated* ***E****mployment outcomes* - was an interdisciplinary project investigating how job quality and innovation mutually impact each other, and the effects this has on job creation and the quality of these jobs.

Drawing on the Oslo Manual, both technological and non-technological innovation were investigated. Through quantitative analyses and qualitative organization-level case studies, the factors, as well as the mechanisms and processes by which job quality and innovation impact each other were identified.

The QuInnE project brought together a multidisciplinary team of experts from nine partner institutions across seven European countries.

QuInnE Project Member Institutions:

- *Lund University, Sweden*
- *The University of Warwick, UK*
- *Universitaet Duisberg-Essen, Germany*
- *Centre Pour La Recherche Economique Et Ses Applications (CEPREMAP), France*
- *Magyar Tudomanyos Akademia Tarsadalomtudomanyi Kutatokozpont, Hungary*
- *Universiteit van Amsterdam, The Netherlands*
- *Erasmus Universiteit Rotterdam, The Netherlands*
- *Universidad de Salamanca, Spain*
- *Malmö University, Sweden*

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More information about the project and project generated publications and material can be found at www.quinne.eu.

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The QuInnE teaching cases and teaching notes are based on the confidential field research conducted in the context of the QuInnE project. They are written to provide material for training and class discussion rather than to illustrate either effective or ineffective handling of a management situation. Personal names and identifying information from the research cases have been altered for the purpose of confidentiality. The case studies and teaching notes have been developed in cooperation with RSM Case Development Centre of Rotterdam School of Management, Erasmus University (www.rsm.nl/cdc).

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Patients, Personnel and Profits: Improving healthcare for international patients

It's May 2016 and private hospital manager Juán Alvarez[4] walked around in the new unit, one that is dedicated specifically to the treatment of international patients. One nurse was communicating in German with a patient, while signs were hanging in the ward in Spanish and English. Alvarez felt satisfied that his vision had finally become a reality, after experiencing problems with the care of international patients for several years.

From the outset, it was clear that this change would shake things up around the hospital. Nurses had to acquire new skills in order to be able to work at the new unit, and some staff still needed to be convinced that this change would be good for them. In addition, not only those in contact with patients were affected by this. In short, this is a change that has affected all areas in the hospital. Now his task would be to evaluate these changes and solve any outstanding issues. He was thinking about how this new unit could be used to boost the hospital's position and finances.

Hospital de Málaga

Hospital de Málaga (HM) was opened about seven years ago as a private hospital offering high-end healthcare to those that were unwilling or unable to use the Spanish public health system. The hospital is part of a larger healthcare group.

As the name implies, HM is based in Málaga - the sixth-most populous city in Spain and a part of the famous Costa del Sol. Due to its beaches, excellent weather, and good connections by train, sea and air, it is a popular touristic destination – especially attracting many visitors from Northwest Europe. Worth special mention is the substantial visitor traffic from the numerous cruise liners that moor in the city.

The majority of the patients are covered under Spanish insurance plans, while a minority of 20% are foreign-insured patients. These patients hold a disproportionate importance for HM, as they are charged much higher fees than locally-insured patients. In addition, the proportion of foreign-insured patients is also growing.

The hospital has had consistent profits and seen rapid growth, going from 200 employees in the first year to more than 500 today. This growth was also necessary for the hospital to maintain a high standard of care, and to cater to the increasing number of patients who choose to go outside the stretched public hospital system in Spain.

[4] Please note that company and personal names have been altered for reasons of confidentiality.

As a consequence of the economic crisis, public investment in healthcare had declined significantly from its peak of 1,510 euros per capita in 2009, to 1,309 euros in 2013, according to the Ministry of Health, Social Services and Equality. This data highlighted the need for better results with fewer resources to maintain an adequate level of healthcare for Spanish citizens. Even so, the increase in investments carried out in times of economic bonanza also showed that the challenge to make sustainable healthcare services at a lower cost was already evident before the crisis.

The private healthcare sector worked as a complementary service in Spain. It was a strategic development in the public healthcare system, significantly contributing to the sustainability of the system. Private insurance partly replaced public cover with 7.27 million insured people who sporadically used public healthcare.

Market

Healthcare in the private sector was governed by the market trends of supply and demand as well as by competition, although it was a sector with a lot of synergy, as the customers were distributed on the basis of occupancy. Indeed, at a national level, there existed different private groups and entities offering the same health services as HM. To capture economies of scale, HM had been growing.

Specifically, at a local level in Málaga there were many specialist private clinics. In terms of hospitals offering all the specialities, there were 4 hospital centres similar to that HM. That being said, it should be pointed out that not all the centres held agreements with the same insurers, so that the patient decided which centre to attend based on the offering of their insurance company.

For this reason, for hospitals key commercial work is to negotiate agreements with insurance companies to include it among its offering of medical centres.

With respect to the patients, 80% of them are clients with Spanish health insurers, while 20% are foreign patients, of whom 16% hold private insurance and 4.8% are from international companies. The tariffs of the private health policies for foreign patients are considerably higher than for the Spanish ones, so that the hospital benefits financially more from the treatment and tests offered to foreign patients.

HM operated as a medical service provision centre for the different branches of medicine. Overall management of the hospital was performed through the operation of two companies: one was responsible for the healthcare itself and was primarily made up of healthcare personnel (nurses, assistants, porters, etc.) and the other was essentially a services sector company supporting the hospital work (maintenance, kitchen and cleaning). There was also the work of dealing with the insurers and Occupational Health and Safety companies, which took place at a third level. All the medical staff (doctors) were external to the company.

Employment structure and development of HM

Since the opening of the hospital there has been a rapid increase in its workforce. It currently employed 556 workers, including the nurses, porters and other workers belonging to the internal structure of the hospital. Growth has been dizzying from the start: just in the last two years 200 people had been hired due to the opening of new wards and new specialities. Of the total of workers, 46.40% had a permanent full-time contract, 7.19% had a permanent part-time contract, 28.96% had a temporary full-time contract and 17.45% had a temporary part-time contract.

The medical staff, that is, mostly doctors, were personnel external to the hospital. Medical staff were hired directly by each Service Head, these areas being autonomous units or companies not belonging directly to the hospital. Therefore, if the external medical staff are counted, the number of workers linked to the centre is much higher.

HM had a young workforce, average age 34.

There was no specific recruitment strategy at the human resources department, as the profile sought depends largely on the area where the duties are to be undertaken. However, company policy is to preferably cover vacant posts with internal personnel. Over recent years, posts for supervisors that had become vacant had been offered to hospital workers, encouraging the promotion of employees.

Currently, most of the new hires were temporary staff, with the aim of covering specific needs, as it was considered that the fixed structure established at the moment was adequate for the proper operation of the hospital.

Union affiliation of workers was generally low, and union presence was not strong at HM

Job Quality

Job quality of personnel at HM was considered appropriate. Healthcare was a sector in which workers' rights were respected in general. However, it should be mentioned that the private sector differed from the public in that the profitability of the hospital had to be ensured: one of the great challenges facing the Spanish public health system was to make it sustainable.

Medical staff of the hospital commented that their job satisfaction was bound up with their professional concerns and the private setting of HM seemed to offer opportunities:

"I had the idea that in private healthcare, certain options were not possible as everything depended on the money. However, there are more options than in the public sector, you can innovate with using ultrasound, carry out studies on the in-patients, publish patient case studies in journals, etc."

There were two generic types of workers at the hospital. Those hired directly by the health centre (nurses, assistants, porters, etc. and the service company) and those external to the hospital, who were mostly engaged on a self-employed basis. This latter category included all the medical doctors.

As freelancers, their working conditions were not the same as those of the employees. There are two dimensions, the pay and the benefits.

Net salary was greater, given that they had to pay their own Social Security contributions, so the hospital saved these kinds of structural costs and offered as it said 'more competitive salaries' to doctors.

One of the reasons why HM did not include the medical staff within its fixed structure was that most of these professionals also worked in other hospitals, both public and private. Only the department of internal medicine hired staff at 100% of their working hours.

In this professional sector there was a high prevalence of temporary work contracts. While generally satisfied with their jobs, a preference for being company employees to their situation of being freelance workers was also demonstrated among medical personnel:

"I'd prefer to be part of the company but the specific conditions at this private clinic are good and they allow us to develop our professional concerns. The fact that we doctors are personnel external to the company is due to the fact that, except for internal medicine, the other professionals work only part-time at the hospital, not full-time."

Care for international patients

Recently the issue of the standard of care for international patients had been taken up by Alvarez. While it was not the quality of the healthcare itself that was the major issue, the real problem was the patients' unfamiliarity with the Spanish culture, language and health care system. Having to be admitted in a hospital is already unpleasant enough for most people, but having difficulties communicating with nurses and having to signing forms that are in an unfamiliar language makes the experience much more unpleasant. Foreign patients often felt stuck and confused.

Over the course of 2015 Alvarez conducted many discussions with hospital staff and managers to discuss potential solutions to this problem. Many solutions were proposed, such as training staff, improving the insurance process and translating certain forms.

In the end, Alvarez and his staff realized that the largest impediment to making improvements was the structure of the hospital. As has traditionally been the case, the hospital was divided in different wards, depending on the type of healthcare needed. Nurses and doctors are allocated to a specific ward and are specialized according to their specific expertise. This structure made it very difficult for HS to implement significant changes in its treatment of foreign patients. The hospital

did not have enough resources to implement these significant improvements across the entire operation.

This was why Alvarez and his staff committed to a drastic decision that changed the structure of the hospital: creating a 'international patient ward', a unit designed specifically to care for international patients. The main changes were:

- International patients, without exception, were referred to the international ward during their admission. This unit was based on the fourth floor, which had been allocated specifically to house international patients. However, this unit was rarely completely full, and Spanish patients could also be cared for on that floor if necessary.
- A nursing team was created specifically to dedicate itself to these international patients. This unit was small, consisting of one internal medicine doctor, two nurses, and the head of international patient care. Other staff visited these international patients when needed.
- All professionals working there, including those who were only occasionally treating international patients, needed to be bilingual in Spanish and English, and preferably a third language. Other medical staff working at the hospital had received less extensive language and cultural training. These extra skills were also rewarded by higher pay and better secondary working conditions.
- All foreign patients had access to a specific contact person. This 'minder' was their point of entry from the moment they entered the hospital and took care of patients throughout their stay. They also took care of patients' insurance. This was a new role, created to make international patients feel comfortable and provide them with a contact during their stay. The minder also had knowledge of the patient's language and culture. This role was a vitally important one, Alvarez thought, to provide clarity to both the patient and the hospital.

Apart from the changes in the international patient unit itself, there were also changes in the wider hospital and the healthcare process. In the admission process, when a patient was recognized as 'international patient' (s)he was from then on 'processed' in a different manner. A 'minder' would put in place and the services put in place for the patient would be 'profiled': in addition to care, the patient would be offered services in line with his/her cultural and religious expectations, and in line with the requirements of their international insurance policy to cover their stay and treatment at the hospital.

And although the International unit consisted of only 4 people (2 nurses, 1 medical doctor from internal medicine, and the head of the international unit), throughout the hospital some changes were made to accommodate the patient process.

HR had organized extra workshops to train employees, and there needed to be a recognition of new skills. Furthermore, information related to different nationalities and cultures had to be collected and distributed amongst the employees. Medical and non-healthcare employees working in the hospital with specific language skills had been identified to collaborate in caring for these patients. All people from different units who spoke several languages had been

posted to the same area of the hospital, so that should the patient need to interact with different units, this would not entail a problem for them.

Furthermore, the process of dealing with foreign insurers was also streamlined. In the administration the procedures for dealing with the international insurers had been centralized in a single person, so that the companies could be offered security and assurance.

Implementing the international patient unit meant that personnel with specific skills were recognised and rewarded. For one nurse, being trilingual meant that she was transferred from the night shift to the day shift so she can work in the international area. Another nurse working in the international unit told Alvarez:

'I feel more appreciated ever since my ability was recognised, and thanks to that my working conditions have changed'.

Doctors had to take slightly more time for treatments, as they were also required to spend some time in explaining the treatment to a patient, apart from performing the diagnosis. So far, this occasionally led to hiccups and minor delays in their schedules.

Representatives of the nursing unions pointed out the new unit was adding to the already high work pressure, due to fast growth of the hospital. A particular bone of contention was the allocation of experienced nursing staff to the international and domestic units. Specifically, two senior nurses with excellent medical, language and cultural skills moved to the international unit. Some feared that personnel who worked on the international unit received better treatment in terms of working hours, promotion opportunities, and working conditions. Additionally, there were concerns that 'less relevant' competencies such as language skills were being promoted over actual nursing skills.

One immediate positive effect of the international unit was that HM was gaining a reputation as an excellent hospital for international patients. Several hotels and tourist companies had begun to refer international patients to HM without exception.

Conclusion

So far, Alvarez thought, the introduction of the international patient ward had in general terms been a success. The quality of care for international patients has improved, there are new opportunities for medical personnel, and perhaps there are even possibilities to capitalize on this success. However, there were also some new challenges. He had to balance the improved new positions of the staff working in the international unit without compromising on the quality of work for the other staff. And similarly, he could not let the quality of care for domestic patients drop because of the international patient unit. That would go against the values the hospital stood for, and even if it didn't, it would upset employees working in the rest of the hospital.

That being said, there were also plenty of opportunities for the hospital. Alvarez was already thinking if some innovations in the hospital could be implemented

across the entire hospital. If the international patient unit turned out to be a success, he needed to make sure that the hospital stood to profit from this innovation as much as possible.