

Comparative PPP models in a time of recession: the options for decision-makers

26 November 2009, 08.30-16.30. Berlin University of Technology

Organised by

European Centre for Health Assets and Architecture (ECHA) and European Observatory on Health Systems and Policies

ECHA (www.echa.eu) is a partnership between:

- DuCHA: an autonomous unit within TNO, the Netherlands state Organisation for Applied Scientific Research (www.tno.nl/ducha)
- HaCIRIC: an inter-institutional collaboration between existing research centres at a number of British universities – Imperial College, Loughborough, Reading and Salford (www.haciric.org)
- [Institut für Technologie und Management im Baubetrieb, Universität Karlsruhe (<http://www.fmk.uni-karlsruhe.de>) – under negotiation]

The **Observatory** (www.euro.who.int/observatory) is a partnership between World Health Organization Regional Office for Europe, the Governments of Belgium, Finland, Norway, Slovenia, Spain and Sweden, Veneto Region of Italy, European Investment Bank, World Bank, London School of Economics and Political Science (LSE), and London School of Hygiene & Tropical Medicine (LSHTM).

ECHA and the Observatory both have a focus on use of comprehensive and rigorous analysis to support and promote evidence-based policy decisions in the European health sector – the one on long-term issues of sustainability and appropriateness of the estate (service planning, architecture/design, finance, construction and operation of hospitals and other healthcare facilities) and the other on the dynamics of health and healthcare systems as a whole in Europe. Cooperation between the two organisations resulted in a recent book “Investing in Hospitals of the Future” (downloadable at http://www.euro.who.int/observatory/Publications/20090323_1) and a sister volume of case studies (http://www.euro.who.int/InformationSources/Publications/Catalogue/20090908_1).

One trend over the last decade or so has been the encroachment of market mechanisms into what has traditionally within Europe been a state-driven sector, and specifically via private sector financing and provision of healthcare facilities, equipment and services. Often this has been by partnership instruments, with different geometries, between the public and private sectors.

At present, however, such long-term developments are being complicated by the credit and economic crisis. This **ECHA/Observatory** invitation-only seminar will review the issues and future prospects. It will be structured in two parts – firstly a substantial review of the situation of the finance sector and PPPs, together with a judgement on

PPPs as a contractual structure. Secondly, a series of discussions of the evidence for the performance of the various existing PPP models which public administrations could adopt to bring private sector expertise or capital into the health sector.

The first area will be developed by prominent international authorities. The several subsequent quickfire presentations of evidence on the diversity of working PPP models in the health sector will be given by sector practitioners, and are intended to lead to a wide-ranging discussion and debate about the pros and cons of the various options. The event will be managed under *Chatham House Rules* (views can be recorded but are non-attributable to the individuals who express them).

Purpose of the event

To inform and engage public authority decision-makers on their options with respect to partnering with the private sector in hospital and healthcare infrastructure and services development during the current credit/economic crisis.

Attendees

- Ministries of Finance, and Health
- Health sector and hospital management
- Public services industry (commercial contractors)
- Commercial & investment banks
- Financial and legal advisers
- Health academic institutions
- Civil society
- International organisations
- ECHAA and Observatory Partners and Associates

Registration

Please register your interest to attend this event by e-mail to:

steve.wright@echaa.eu (tel. +352 320892), copied to Carola Harding (miq@tu-berlin.de; tel. +49 3031 428420).

Programme

8.30 Registration and coffee

Theme One – Introductory session: Overview of multi-sector PPP

(Chair: Dr. Reinhard Busse, Professor and Head of Department of Health Care Management, Technical University of Berlin)

08.50 Welcome

09.00 Contractual issues in PPP – bundling, contracts and adaptability (Elisabetta Iossa, Professor of Economics, Brunel University & University Tor Vergata).

Discussant (Geert Dewuulf, Professor of Planning and Development, University of Twente). Q&A.

10.00 Recession and after: finance markets and limited recourse funding of PPP (Gershon Cohen, Head of Project Finance, Lloyds Banking Group)

Discussant (David Clark, Managing Director, Belair Advisers). Q&A.

11.00 Coffee

Theme Two – Short presentations: Performance of different PPP models in health

(Chair: Dr Marinus Verweij, Director, Dutch Centre for Healthcare Assets and Chairman of ECHAA)

11.30 Accommodation PPP (Brian Saunders, Deputy Head Private Finance Unit, NHS)

12.00 Portuguese single and twin SPV PPPs (Bárbara Costa Pinto, Director of Banco BPI, Head of PPPs for the Health Sector)

12.30 Full population service (Dr Carlos Trescoli, Hospital de la Ribera, Alzira)

13.00 Lunch

Theme Two (cont.):

13.30 Whole-system limited companies in a national health system (Professor Matti Lehto, Tampere University Hospital, Finland)

14.00 Regulated privatization in Germany (Dr Thomas Mansky, Head of the Department for Medical Development, HELIOS Kliniken GmbH)

14.30 Overseas experience, the case of Australia (Annette Schmiede, Australian Healthcare & Hospitals Association)

15.00 Plenary discussion – whither PPPs?

Facilitated by Steve Wright (Executive Director, ECHAA) and Kunibert Lennerts (Director, Institut für Technologie und Management im Baubetrieb, Universität Karlsruhe)

16.30 **Final conclusions, sum-up and close** (Marinus Verweij)