Experiences in Public-Private Partnerships in Italy, Ireland, and the U.K.

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20 November 2009
UPMC Snapshot

UPMC Global Health Enterprise

• $7.9 billion in Total Assets
• $7.0 billion in Total Revenues
• 20 hospitals operating nearly 4,000 beds
• More than 400 service locations
• 50,000 employees
• 187,000 admissions
• Nearly 1.4 million members covered by UPMC Health Plan products
UPMC’s Core Competencies

Clinical Services
- Urology
- Transplantation
- Eurosurgery
- Cardiothoracic Surgery
- Critical Care Medicine
- Emergency Medicine
- Family Medicine

Commercial Services
- Theradoc
- Dbmotion
- Sim Medical
- D3 Radiation Planning
- CombineMed
- Information Technology
- Supply Chain Management
- Alcatel – Lucent
- Cerner
- IBM
- General Electric
UPMC’s international operations include:

- Cancer centers in Ireland and the United Kingdom
- Transplant Center in Palermo, Italy
- Emergency medicine services in Qatar
- Health complex in Paphos, Cyprus
- Family Medicine services in Japan
- Renowned Medical Center in the United States
UPMC Hospitals

Ireland
UPMC partnered with the Beacon Medical Group to own and manage the Beacon Hospital in Dublin. Beacon Hospital is a 183-bed facility that opened in January 2007 and offers services in oncology, orthopaedics, cardiology, neurology, and dermatology.

Cyprus
UPMC formed a joint venture with a local partner to develop a specialty hospital in Paphos that will include transplantation, orthopaedics, neurosurgery, cardiothoracic surgery, and cosmetic surgery.

United States
UPMC hospitals in the U.S. have more than 187,000 inpatient admissions and perform more than 165,000 surgeries annually and more than 17,000 transplants, including liver, heart, kidney, multi-visceral and, recently, the nation’s first bilateral hand transplant. UPMC is ranked among “America’s Best Hospitals” by U.S. News & World Report.

Italy
UPMC manages and operates ISMETT, a 120,000 square-foot facility. The facility includes a 14-bed comprehensive Intensive Care Unit and a state-of-the-art imaging center. ISMETT has become one of the leading transplant centers in Europe and is a major referral center for other Mediterranean countries.
One of the largest cancer care delivery systems in the U.S.

– Works in tandem with its academic and research partner, the University of Pittsburgh Cancer Institute (UPCI), western Pennsylvania’s only National Cancer Institute (NCI) designated Comprehensive Care Center.

Regional “hub-and-satellite” model

– Provides state-of-the-art oncologic care to patients in their communities – close to home.

– Inpatient and specialized treatment provided at central “hub” while outpatient care is offered at more than 40 regional sites.

– Opened two cancer centers in Ireland in 2007 with more planned in the U.K., throughout Europe, and globally.

– Telemedicine network brings UPMC Cancer Center expertise, technology, and the most advanced cancer treatments available today to patients at all sites with limited access to these services.
The Thomas E. Starzl Transplantation Institute
- Home of the “father of organ transplantation”
- World’s largest and busiest transplant center
  - More than 12,000 transplants performed
  - More than 1,000 living-donor transplants performed

World-renowned surgeons and researchers responsible for many of the groundbreaking discoveries that have revolutionized transplant medicine.

ISMETT: Leading organ transplant center in Europe
- Managed and operated by UPMC since 1996
- More than 850 transplants performed
- Number one in Italy for patient survival one year after liver transplantation
PPP Structure in Italy

- 45% Ownership
- 2 Board Members
- Management Agreement

Region of Sicily
- Appointment of Chairman
- Funder of Clinical Services

Civico Hospital
- 35% Ownership
- 1 Board Member

Cervello Hospital
- 20% Ownership
- 1 Board Member

UPMC
- 45% Ownership
- 2 Board Members
- Management Agreement

ISMETT
PPP Structure in Ireland

**Irish HSE**
- Services Level Agreement
- Funding for Public Patients

**UPMC**
- Services Level Agreement
- Provision of Treatment to Public Patients
- Close co-ordination with public hospital

**UPMC Whitfield Cancer Centre**
PPP Structure in U.K.

RBHFT
- Existing Oncology Services
- Capital
- Personnel

UPMC
- Management Agreement
- Management Practices
- Hub-and-Spoke Cancer Centre Model

RBHFT Oncology Service Line
PPP Challenges

- Budgetary Issues
- Perceived Value for Money
- Governance Issues
- Political Issues
Going Forward

• PPP projects can expand clinical operations to a broader array of services
• Successfully navigating PPP’s requires a special managerial skill-set, and a great deal of patience
• Risks – financial and political – need to be accounted for
• Rewards – ability to serve the entire population on an equitable basis
• Profitability – PPP’s can be profitable if well-managed