



Setting the stage for win-win public-private sector partnerships in healthcare: Lessons from the field


Reinetta Thompson Waldrop
FACHE, MSHS
Morehouse School of Medicine
Master of Public Health Program
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Why Public-Private Partnerships

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- Dwindling federal, state, and local support for public health services
- Decrease in reimbursement rates
- Increased cost of providing health services
- Increased competition for grant funding
- Increasing numbers of uninsured and underinsured individuals
- Changing resource requirements
- New public health priorities

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Opportunity Areas for Partnership

- **Service delivery and resource sharing (ongoing)**
- **Infrastructure improvement (long term)**
- **Financial giving for defined projects (short term)**

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Best Partnering Agencies

- Service Delivery/ Resource Sharing
 - Private, not-for-profit health delivery systems
 - Private providers
 - Professional associations
 - Academic institutions
 - Faith-based institutions
- Infrastructure Improvement
 - Major private corporations & philanthropic organizations
 - Local and community based high profile businesses
 - Municipal governments
- Financial Giving for Specific Programs
 - Private sector foundations
 - Governmental funding

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Service Delivery and Resource Sharing


- ⌘ DHW / South Fulton Med Center
- ⌘ DHW / Grady Health System
- ⌘ DHW / Southwest Community Hospital
- ⌘ DHW / Atlanta Medical Center *

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Infrastructure Improvement

- ⌘ DHW / Grady Health System (ICTF)
- ⌘ DHW / Atlanta Medical Center (ICTF)
- ⌘ DHW / City of College Park
- ⌘ DHW / City of Fairburn
- ⌘ Southside & West End CHC's / Georgia Baptist Med Center (ICTF)
- ⌘ Oakhurst CHC / Kaiser Permanente (CRIP)

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Advantages

And

Disadvantages

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Advantages for the Public Partner

- Financial support for programs
- Non-financial support
 - Equipment , supplies, in-kind services
- Infrastructure improvements
- Resource commitments for providing care
- Access to expanded delivery systems or markets
- Information technology improvements

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Advantages for Private Partner

- Public declaration of commitment to the community
- Public support for corporate product
 - increased market share
 - increased sales / profits
- “Branding” Opportunities
 - Marketing and advertising rights
- Corporate tax incentives

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Disadvantages for Public Partner

- Potential loss of governmental funding equal to the level of private sector support
- Potential for reliance on private sector support without a plan for self-sufficiency
- Potential loss of market share

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Disadvantages for Private Partner

- Financial risks
 - Requirements beyond initial commitment
 - Requirements do not yield anticipated results
 - Requirements negatively impact bottom-line
- Changing organizational management philosophies
- Perceived lack of support from governmental entities

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Principles for Win-Win Collaborations

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Twelve Principles for Win-Win Collaborations

1. Maintain mutual respect for strengths and weaknesses
2. Redefine organizational mission and vision statements to reflect shared values
3. Set achievable goals and objectives and agree on priorities
4. Share responsibility for outcomes

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Twelve Principles for Win-Win Collaborations


5. Ensure and maintain clear lines of accountability
6. Develop and agree on strategies to monitor efficiency of operations and quality of care
7. Advertise the collaboration as a joint effort
8. Identify and commit to financial gains for both entities

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Twelve Principles for Win-Win Collaborations

9. Recognize and resolve problems when they arise
10. Review progress and identify changing priorities
11. Seek input from **ALL** stakeholders
12. Obtain support and approval from the governing bodies of each organization

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Sustainability

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Factors Affecting Sustainability

✓ Reality Check:

- ✓ funding via grant opportunities is ↓
- ✓ competition for private foundation funding is ↑
- ✓ few foundations and private donors will provide grant dollars for operating expense
- ✓ revenue support from government agencies is ↓ due to other perceived needs

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Strategies for Sustainability

- ✓ Identify private sector partners with the resources and commitments needed to ensure sustainability
- ✓ Redirect “freed up” operating dollars to other programmatic efforts that increase efficiency and improve the effectiveness of the total operation
- ✓ Adopt initiative(s) that best fit your requirements for service delivery and sustainability

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Strategies for Sustainability

- ✓ Avoid the appearance of having a lack of direction
- ✓ Become business minded while shifting your business focus to a mix of profit/non profit activities
- ✓ Embrace the concept of “civic entrepreneurship”
- ✓ Re-negotiate whenever the risks become too great

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Reinetta Thompson Waldrop, FACHE, MSHS

Morehouse School of Medicine

Master of Public Health Program

720 Westview Drive S.W.


NCPC Bldg, Room 344-B

Atlanta, GA 30311-1495

Office: 404-752-1904

email: rwaldrop@msm.edu

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Thank You !