



An analysis of the Perception of the Health Administrators about the Private Sector Participation in Saudi Healthcare System

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Abstract: Health is now multidisciplinary, therefore, hybrid approach to manage the healthcare systems is considered key success factor. The shift of public to private sector around the globe and economic constraints left no option for Saudi Arabia but to involve the private sector for better and cost effective utilization of its health sector. The Vision 2030 and NTP 2020 main target is to achieve this dream. This study aimed to address the contextual issues which may make or break the participation of private sector in successful transformation of the health sector in Saudi Arabia. Since study was qualitative, therefore, interviews were conducted through a structured schedule from 28 sample respondents. This study has found that PSP initiatives in Saudi Arabia will increase health-care access by eliminating unprofitable services in public sector, yet it will be increasing the cost of health services for citizens. However, before the privatization of hospitals in Saudi Arabia, it is indispensable to boost the move toward activity-based or performance-based healthcare.

Key Words: Saudi NTP 2020, Private Sector Participation, Saudi Healthcare System, Healthcare Service Delivery, Implementation Barriers i.e. Administrative, Economic, Infrastructural, Legal, Socio-cultural and Behavioral Issues.

I. INTRODUCTION

A. Background of the Study

The growing population, economic constraints and competition are forcing the governments around the globe to re think and reform their organizations and their administrative structures through effective use of their available meager human and material resources to lower the burden of cost of service from the shoulders of the government with the aim to share the responsibilities through involvement of the private sector in all sectors of economy including the health sector.

Health care system is the most important service in any country. Unlike education, which starts when a child is around five to six years old, it is a service that starts even before the baby is born until the time when he or she is buried in the grave.

Healthcare services in Saudi Arabia like in any other country always remained the priority area of the government (The Council of Economic and Development Affairs. Saudi Arabia's vision 2030). The government is benevolent and offers free health facilities from womb to tomb to all Saudi citizens. Saudi's healthcare system is governed by Ministry of Health (MoH) and regulating the public sector hospitals as well as private ones (Abdulateef Al-Mulhim, 2017). The government is allocating and spending huge funds in health and social sectors i.e. USD 32.5 billion for 2017 which accounts for 13.5% of the total Saudi budget. Likewise, 60% of the hospitals and primary healthcare clinics in Saudi Arabia are run by ministry of health while rest belongs to private players (Saudi Healthcare Reforms, 2017).

According to Marmore's report on Saudi Healthcare, the market share of Saudi Arabia in healthcare sector would be the highest in the GCC region i.e. 54.4% amounting to USD 26 billion in the years to come (Al-hayat, 2017). This rising market therefore, necessitates a wide range of reforms and measures to cater the needs of the market

(Saudi Healthcare Reforms, 2017) like private participation in healthcare services in order to bridge the service gap along with adequate regulations and legal framework (Abdulateef Al-Mulhim, 2017).

With the future demand almost certain to grow, and the government's vision to increase private participation by 2030, healthcare could be one of the most sought after industry (Julie Basis, 2017). The current situation presents a need as well as an opportunity for the development of private healthcare in Saudi Arabia (Abdulwahab A. Alkhamis, 2017).

Saudi Vision 2030 and the National Transformation Program 2020 have been envisioned and developed to encourage private sector investment in health sectors, still which have been largely funded and serviced by the Government (SanandaSahoo, 2017; Al-hayat, 2017). Reforms to ensure better service delivery of healthcare facilities and related services are thus is one of the Government's top priorities (Ahmad, 2012).

According to the National Transformation Program 2020, the Ministry of Health (the "MoH") plans to spend up to SAR23 billion prior to 2020 to reform and restructure primary health care. In healthcare, the plan targets a rise in the private sector's involvement from 25 per cent to 35 per cent over the next five years (Simeon Kerr, 2016). It has allocated SAR6billion to support the transformation of the sector through funding of health insurance and public-private partnerships (Abdulwahab Alkhamis, 2017).

B. Objectives of the Study

This article will critically analyze and examines the perception of the health administrators about the role of private sector in Saudi health system with regard to delivery of health care that has been named by MOH as private sector participation (PSP) under the NTP 2030.

C. Significance of the Study

The motivation behind writing on such topic of importance is that it will have significant impacts on the future Saudi economy and lives of the citizens too, therefore, this article will explore and analyze the view of the health administrators to identify the possible barriers towards implementation of the very critical aspect of the plan i.e. PSP, the major issues in this regards as explored by researchers include the government initiatives and top management support, economic, infrastructural, socio-cultural, attitudinal and behavioral and last but not the least is the administrative (support, coordination and facilitation), legal and regulation issues.

II. Problem Statement of the Study

Saudi Government vision 2030 is a liberalized vision of economy to accept and recognize the significant role of the private sector as alone government cannot step on all hurdles due to growing pressure on economy in the every decreasing fuel prices in the international market on one hand and the increasing demand of better and quality healthcare facilities with the increasing population on the other. Therefore, the government of Saudi Arabia has planned to transform its health sector into more vibrant, efficient and cost effective venture by encouraging private sector to come forward and lend their help and support to lesser the burden from the shoulders of the government (NTP-2020, 2017). However, there are several factors that could impede the successful transformation of the health sector.

These factors as identified in the above paragraph include the include the top management support, economic, infrastructural, socio-cultural, attitudinal and behavioral and last but not the least is the administrative (support, coordination and facilitation), legal and regulation issues besides the administrative (Support, Coordination, Facilitation and MOH's PSP initiatives, the phases for the implementation of the PSP program, the proposed PSP structure and the proposed delivery models for the PSP initiatives) and the legal and regulation issues (Bryan Weiner, 2009). Thus the problem statement for this study is that how the contextual factors could make or break the participation of private sector in successful transformation of the health sector in Saudi Arabia.

III. REVIEW OF LITERATURE

In the beginning decades of the 19th century the Saudi Arabia appeared on the world map as a poor and isolated country. The healthcare sector in Saudi Arabia witnessed the radical change and progress in recent decades be getting international recognition. Saudi ministry of health is the major healthcare provider and regulator since its inception however, private healthcare sector is growing rapidly as people are more and more depending on private health care institution to cater their healthcare needs and it is expected that this trend will further increase since the dream to increase the life expectancy, population growth besides patient's need for treatment (Zohair A. Sebai, Waleed A. Milaat, & Abdulmohsen A. Al-Zulaibani, 2001).

Though government is the leading player and force in the healthcare sector, however, the growing population and health expenditures compelling the government to bring substantial changes in its healthcare system by privatizing some of the aspects of health sector or through public private partnership in a number of cities and towns. Currently Saudi healthcare system is not ready to address the embryonic healthcare needs (Saudi Arabia- Health Economic News, 2017).

Moreover, government is heavily loaded with healthcare expenses, this is why the participation of private sector participation is imperative so that country can further enhance and development its healthcare system to meet the needs of the citizens. It is hoped that private sector participation will also result into marvelous chance to the foreign healthcare companies to invest in the largest one of the largest healthcare market in the Middle East.

A. Role of Ministry

Government departments and officials play pivotal role in the formulation and then successful implementation of the policies, plans and programs by setting priorities, allocating funds and ensure the required both physical legal infrastructure and professionals through its support (Ahmad, 2012).

The ministry of healthy Saudi Arabia is the major regulator facilitator for all the health related activities and decisions. It has been recommended by experts that any meaningful initiative needs strong administrative support from the government administrative machinery including the PSP. Further, researcher have strong belief that effective coordination between government agencies and PSP firms can materialize the goals of the implementation of the any transformation plan like that of the Saudi NTP 2030. One recent study has found that facilitation and encouragement from the ministry of health is considered highly critical for PSP programs (Al-hayat, 2017).

Likewise, one study asserts that all the transformation phases for PSP must be sufficiently chalked out for effective change management process of any sector of the economy including the health sector (Ahmad, 2012). The Vision 2030 documents and NTP 2020 of Saudi Arabia demonstrates that government has done the spade work and have soundly drawn all the phases to enhance the proposed structure and efficiency of health sector, likewise clear vision and goals from the administration are also imperatives for PSO initiatives. Similarly, it has been found critical that the goals set by government must be aligned with the proposed delivery model and should be achievable.

B. Economic, Social and Cultural Factors

The participation of the private sector is encouraged by the governments to reduce the economic burden on the shoulders of the government and to involve the private sector investment within the country and from abroad to shoulder this responsibility (Bryan Weiner, 2009). However, despite the efforts of the government to bring ease to its citizens particularly through access to quality healthcare services with minimum cost, however, this retreat on other hands from its role could also increase burden on the finances of the patients. Likewise social, cultural and political forces and support from numerous corners of the society also have significant impacts on PSP programs and could also makes or breaks the success (O'Kane, 2011). Studies have been found stressing hard on the creation of awareness and education of the people before any such initiative like Saudi NTP 2020, in order to change their cognitive maps and win support from the society and communities (Lukas, 2007).

C. Attitude and Beliefs

Most of the PSP initiatives in the developed and developing countries offer good lesson to learn from the success and as well as from the fail stories, the complexity involved and difficulties faced by them and do people have fear that this will result into loss of job in public sector by several people (Marwan Alaraby, Sultan Almasoud, Snajabek Abdulkalilove, Latin Elder, Mathew Powell, and BradnHundt, 2017). People expect that involvement of private sector could also provide employment and job opportunities and thus can bring prosperity into the life of the people as government alone cannot provide employment to all of its citizens (Heimeshoff, Schreyögg, and Tiemann, 2014).

Further, it has been reported by studies that since employment in government sector is career oriented and there is stability of tenure and services with sufficient perks and fringe benefits (Bryan Weiner, 2009). However, the lack of responsibility and accountability in most cases result into to inefficiency on part of the employees as they develop their own self wishes for empire building and displace the common good in favor of personal and individual interests (Waitzkin, Jasso-Aguilar, and Iriart, 2007).

In contrast to the government, in private sector that is striving for maximizing the profit hence management its human and non-material resources more strictly and adequately as they cannot afford loss, this is why it has been found time and again that private sector is more efficient than the public sector.

The vision 2030 and Saudi NTP 2020 were envisioned to enhance the quality of patient care since the competition with private sector will also enhance the efficiency of government sector healthcare institutions (Alkhamis, Hassan, and Cosgrove, 2014).

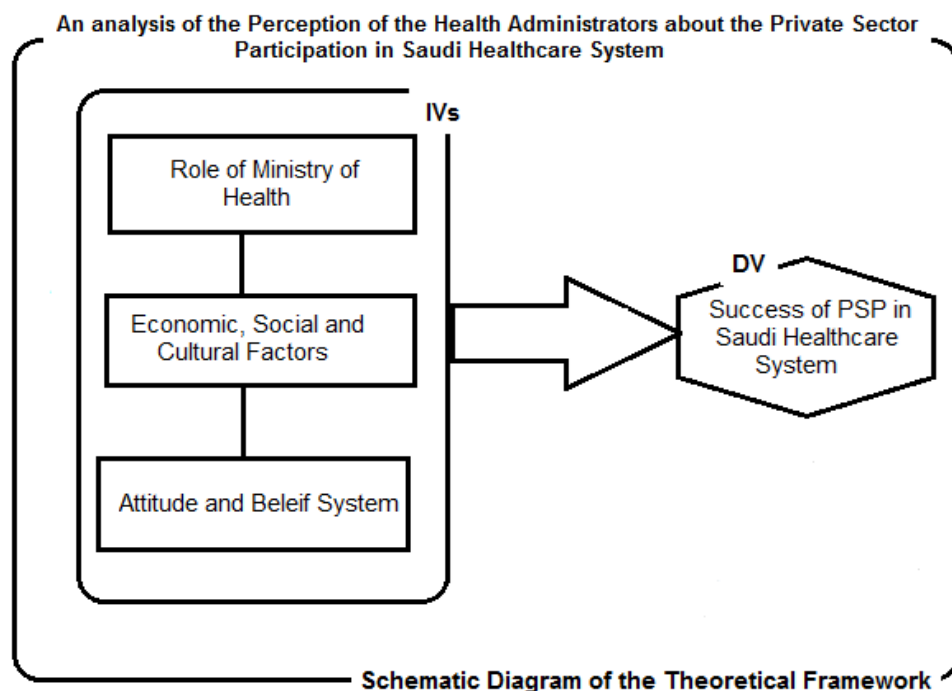
D. Major Extracted Variables

The independent variables include, top management support, economic constraints, infrastructural issues, socio-cultural factors, attitudinal and behavioral issues, administrative (Support, Coordination, Facilitation and MOH's

PSP initiatives, the phases for the implementation of the PSP program, the proposed PSP structure and the proposed delivery models for the PSP initiatives) and the legal and regulation Issues, while the dependent variables of the study is the Private sector participation through public private partnership.

E. Theoretical Framework of the Study

Based on the review of the literature, the below given theoretical model and schematic diagram has been developed to understand the logical relationship between, and impact and role of the dependent and independent variables of the study.



Based on the review of the literature and the schematic diagram of the theoretical model of research, it was assumed that all predictors and criterion variables are mutually significantly positively associated, whereas, predictors have significantly impacts on the criterion variable of the study.

IV. METHODOLOGY OF THE STUDY

This study is qualitative in nature, so researchers have reviewed the existing sources of facts and figures as well primary data was collected through a structured interview guide. The secondary data sources were explored to get comprehension of the model and analyze the role of private sector in future health service delivery.

A. Population and Sampling

The population included health administrators both in public and private sector of the Saudi healthcare. To generate sample which allows understanding that are researcher’s interest were selected. Those sample was selected on the criteria that can adequately understand the categories, themes or explanation of the questions depend upon the available time and resources. As the population was infinite, therefore, 28 samples were randomly selected through purposive sampling which is the most productive to answer the research questions.

B. Design of Instrument

The interview schedule/guide consist of two parts, in part one interviewee were asked to supply information about their personal profile and the second part consists of questions on the research variables of the study. Interviews were conducted by the student researchers themselves to the sample respondents.

C. Data Analysis

Researchers have suggested the use of different approaches for analysis of the data. This study is qualitative in nature and it is based on the review of the existing research and interview data, thus, the literature was reviewed, concepts and variables were extracted, coding and recoding of interview data was done through computer based software Atlas.ti that is used for qualitative data analysis. The study used content, discourse and hermeneutics for

data analysis as recommended by researchers like hermeneutics (James, 1992), discourse (Max, 1990) and heuristic (Moustakas, 1990).

D. Demographic Characteristics of Respondents

The below table present the descriptive as percentage of the characteristics of the demographics of the respondents of the study, since age and experience range from 30-51 and 04 to 32 years respectively, therefore, only range is given in the tables.

Variables	Nature	Number of Respondents	Percentage
Enterprise	Primary Health center	18	64.28
	Public hospital	04	14.28
	Private hospital	04	14.28
	Others	02	07.14
Gender	Male	15	53.57
	Female	13	46.42
Age in Years	Original	30-51	
Designation	Manager	13	46.5
	Deputy Manager	03	10.71
	Assistant Manager	12	42.85
Profession	Manager	07	25.00
	Physician	13	46.42
	Nurse	03	10.71
	Other	05	17.85
Level of Education	Diploma	05	17.85
	Bachelor	14	50.00
	Master and Higher	09	32.14
Resident	Rural Area	08	28.57
	Urban Area	17	60.71
Experience in Years	Length of Service	04-32	

IV. DISCUSSION AND MAJOR FINDINGS

Researchers (Alkhamis, Hassan, and Cosgrove, 2014) asserts that support of the government officials and departmental is the driven feature for any successful PSP in the transformation process. 78% of the respondents of this study were of the view that due to poor planning by the ministry and the lack of clear objectives for private sector participation, there is weak support administrative support for the PSP initiatives. However, it was argued by 22% of the respondents that there is somehow effective coordination between the government agencies and PSP firms regarding how to implement the vision 2020 through involvement of the private sector in the healthcare, thus we can infer that our results were partially consistent with the findings of the previous studies of (Walston, Al-Harbi, and Al-Omar, 2008).

Similarly, the culture of facilitation is prerequisite for such initiatives as recommended by several studies like Cole, Harris, and Bernerth (2006), yet, 46.60% of the respondents have said that though ministry is also offering some facilities, however, 54.40% have opposite view as states that the magnitude of these facilities is very limited. Though MoH offered to PSP firms to take some of their existing healthcare establishments but despite this offer, however, some private sector companies refused to operate existing government facilities. Furthermore, 37.66% of the respondents perceive that delay in implementation of the stages of the NTP 2020 is on part of the cumbersome procedure and bureaucratic attitude from the MoH.

The transformation is not a single click activity, rather it demands sufficient time to put into place the plan in papers (Albrecht, 2009), whereas, 61.08% of the respondent of the study were of the opinion that due to lack of sufficient time span required for such mega programs is very short, so there is an apprehension that due to shortage of time, it would not be possible to materialize all the goals of the proposed delivery model as envisages by the planners. Similarly, 49.02% of the respondents asserts that workshops, seminars and conference could be helpful for successful PSP implementation during the transition period by involving the private sector in these events. These findings are in line with that of the (Cole, Harris, and Bernerth, 2006).

The support and acceptance from society perspective is critical as the social, cultural, political forces and the interests of the people is required for successful execution of any plan as mentioned in the studies like, Barrage, Perillieux, and Shediach (2007). It was found by the study that there is an over whelming support from the society and community, as about 93.77% respondents expect that Saudi society is very ambitious to get quality of care through better and efficient service delivery by the private sector in comparison to the public sector which is attributed to lack of interest, inefficiency and poor performance. Yet, this support is for the therapeutic, preventive

and rehabilitation medicine in the future. Moreover, 07.33% shared opposite views, because since long people are enjoying the free of fee healthcare services from the government, so they believe and trust that government services are better than private. The findings of our study are thus having the support from the existing studies of (Erskine, Hunter, Small, Hicks, McGovern, Lugsden, Whitty, Steen, and Eccles, 2013).

Job satisfaction have been considered by almost all the organizational studies as key for the individual and organizational performance especially service of care offered by health sector (Bazzoli, Dynan, Burns, and Yap, 2004). Mixed responses were found for job security, 69.30% of the respondents opine that people have no fear regarding loss of jobs in case of PSP because of the ministry's recent assurances to preserve and train its employees, Yet, another group of people i.e. 31.70% were afraid of this shift from the public to private sector because of the lack of job security and the entry of foreign competitors, yet, 88.01% were optimistic and believe that strict policies by the ministry to regulate the work of the private sector will sure ensure job security.

Success of healthcare system could be measured with patient satisfaction whereas, patient satisfaction determines the efficiency and quality of care (Appelbaum, & Wohl, 2000). There was consensus on the issue of efficiency and quality of care among majority of the respondents i.e. 93.99%, expressing that certainly because of competition and the application of quality standards among healthcare providers, according to them, private sector participation will expand and enhance the coverage provided with quality of patient care. However, a small number of respondents i.e. 06.11% disagreed, as they showed apprehensions and concerns, stating their fear that private sector will work for maximization of profit, if there was no proper mechanism for accountability and regulation, it will exploit their employees as well as the patients.

V. CONCLUSIONS AND SUGGESTIONS

The Saudi vision 2030 and NTP 2020 are the major initiatives of government to transform the Saudi society and institutions from conventional modes of governance to the more dynamic, vibrant and service oriented entities including health sector. PSP is therefore, the main emphasis of the government especially in health sector in order to further enhance the efficiency and quality of care by lowering the burden on government budget.

It has been found that PSP initiatives will increase health-care access by eliminating unprofitable services in public sector, yet it will be increasing the cost of health services for citizens. However, before the privatization of hospitals in Saudi Arabia, it is indispensable to boost the move toward activity-based or performance-based healthcare.

Additionally, next to privatization, the leading issue will be determining the extent to which policy makers must have to ensure that the most vulnerable segments of the society must have access to good-quality health care while controlling the costs for care providers.

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