Leadership in Healthcare

DR RYAN NOACH | DEPUTY CEO – DISCOVERY HEALTH

SAMA 2019 CONFERENCE
A number of key macro trends are impacting the South African health industry.

**Economic Trends**
- Low GDP growth
- Increasing unemployment
- Increasing cost of living

**Human Resources for Health**
- Immigration
- Increasing cost pressures
- Funding for training

**Rapidly advancing technology and insights**
- Digital tools
- Genomics and other “omics”
- Behavioural science
- Data science

**Disease Burden and Outcomes**
- Quadruple disease burden
- Tension between transactional vs value based health systems
There are growing calls for better organised and patient centered engagement from doctors

“It’s possible to imagine a new organization of doctors that has nothing to do with the business of medicine and everything to do with promoting the health of patients and adroitly confronting the transformational challenges that lie ahead for the medical profession.

Such an organization wouldn’t be a trade guild protecting the interests of doctors. It would be a doctors’ organization devoted to patients. Its top priority might be restoring the human factor—the essence of medicine.”

- Eric Topol
  (The New Yorker, August 2019)

“Fixing health care will require a radical transformation, moving from a system organized around individual physicians to a team-based approach focused on patients.

Doctors, of course, must be central players in the transformation: Any ambitious strategy that they do not embrace is doomed.”

- Thomas H. Lee and Toby Cosgrove
  (Harvard Business Review, June 2014)

South Africa shares common health professional challenges with the rest of the globe – reshaping of leadership roles is critical to resolving this.
Optimism bias

/'ɒptɪmɪz(ə)m/ ˈbaɪəs
noun
The belief that my personal future will be better than my past

Declinism

/ˈdɪkλɪnɪz(ə)m/
noun
The belief that my country is in a state of significant and possibly irreversible decline
We greatly overestimate our future wellbeing

People think the best is ahead of them

Average self-reported wellbeing score (0-10)

Expected 5 years from now

Optimism bias

Today

This is consistent across regions

Deaton's global survey for Gallup World Poll, 1.7m people, 166 countries, 2006-2016
Healthcare has consistently been a worry globally

Long term trends from recent IPSOS survey ‘The Illusion of Stability: What Worries the World’ highlight the absence of a single global concern and the emergence of many

- Financial/political corruption: 34%
- Poverty & social inequality: 34%
- Unemployment: 33%
- Crime & violence: 31%
- Healthcare: 24%

Source: IPSOS survey July 2019 - ‘The Illusion of stability: what worries the world?’
Declinism is persistent and pervasive

Ipsos MORI survey of 26,489 people across 28 countries (2017)

In the last 20 years, how has the world population living in **EXTREME POVERTY** changed?
- WORSE: 80%
- BETTER: 20%

In the last 20 years, how has **CHILD MORTALITY** in developing countries changed?
- WORSE: 61%
- BETTER: 39%

All things considered, how do you think the **WORLD IS CHANGING OVERALL**?
- WORSE: 90%
- BETTER: 10%

Over the **NEXT 15 YEARS**, how do you think living conditions for people around the world will change?
- WORSE: 65%
- BETTER: 35%

Max Roser, 2018
Knowledge leaves no place for cynicism

The world as 100 people over the last two decades

<table>
<thead>
<tr>
<th>EXTREME POVERTY</th>
<th>BASIC EDUCATION</th>
<th>LITERACY</th>
<th>CHILD MORTALITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2015</td>
<td>2014</td>
<td>2015</td>
</tr>
</tbody>
</table>

- **80%** reduction in extreme poverty
- **53%** reduction in people without education
- **64%** reduction in people who can’t read
- **64%** reduction in children who die before age 5

Homicides ↓  Democracy ↑  Vaccination ↑

Max Roser, 2018
South Africans are confidently wrong

South Africans are the most inaccurate

Strong relationship between confidence and being wrong

Ipsos MORI survey ranked each country based on the accuracy score from the seven factual realities. The accuracy score was then ‘standardised’ for prevalence of reality.
Vision-centric approach

#1 ACKNOWLEDGE PROGRESS AND CREATE HOPE

#2 PROBLEMS ARE REAL, BUT SOLUBLE

#3 ECONOMY HAS POTENTIAL

Antidote to declinism

Problem-centric approach

#1 BLIND TO PROGRESS

#2 SEE PROBLEMS AS INSOLUBLE

#3 SEE ECONOMY AS RISKY

Perpetuator of declinism
South Africa has seen considerable improvement in key health indicators over the last 20+ years.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Year</th>
<th>Value</th>
<th>Year</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital beds (per 1,000 people)</td>
<td>SA (94)</td>
<td>1.9</td>
<td>SA (16)</td>
<td>4.3</td>
<td>126%</td>
</tr>
<tr>
<td>Total health spend (% of GDP)</td>
<td>SA (00)</td>
<td>7.4%</td>
<td>SA (16)</td>
<td>8.1%</td>
<td>9.5%</td>
</tr>
<tr>
<td>Private health spend (% of total)</td>
<td>SA (00)</td>
<td>61.6</td>
<td>SA (16)</td>
<td>5.2</td>
<td>-28.2%</td>
</tr>
<tr>
<td>Nurses and midwives (per 1,000 people)</td>
<td>SA (98)</td>
<td>3.9</td>
<td>SA (16)</td>
<td>37.3%</td>
<td>0.8</td>
</tr>
<tr>
<td>Physicians (per 1,000 people)</td>
<td>SA (96)</td>
<td>0.6</td>
<td>SA (16)</td>
<td>2.8%</td>
<td>61.7</td>
</tr>
<tr>
<td>Life expectancy from birth</td>
<td>SA (94)</td>
<td>5.2</td>
<td>SA (17)</td>
<td>63.4</td>
<td>-46.5%</td>
</tr>
<tr>
<td>Neonatal mortality rate (per 1,000 live births)</td>
<td>SA (94)</td>
<td>10.7</td>
<td>SA (17)</td>
<td>20.0</td>
<td></td>
</tr>
</tbody>
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Source: World Bank, OECD
Despite the progress, there is still considerable room for improvement to catch up with more developed nations.
To exceed outcome expectations, proactive engagement with all key health industry stakeholders is required.
Leadership begins with vision

- Patient centred care
- Value based care
- Operational Optimisation
- Digital innovation
- Sustainable HR and structural models
- Fairness & transparency

The Vision
Empowering ourselves to transition from passivity to advocacy

<table>
<thead>
<tr>
<th>No.</th>
<th>Step Description</th>
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<tbody>
<tr>
<td>01</td>
<td>Set out improvements within a framework of “how do we do more, faster?”</td>
</tr>
<tr>
<td>02</td>
<td>Define a small, pressing problem statement which will be the core focus of doctor leadership’s attention</td>
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<tr>
<td>03</td>
<td>Develop data models, economic models, fact-based scenarios and case studies to ‘t-up’ solutions</td>
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<tr>
<td>04</td>
<td>Engage stakeholders, especially government by tabling a plan – a concrete starting point</td>
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<tr>
<td>05</td>
<td>Be the patients’ advocate</td>
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