



Unit 5: Are hospitals a business like any other ?



1. Adapting hospitals to our future needs

- ➔ Hello, I'm Martin Hirsch Managing Director of the APHP the largest teaching hospital in Europe. Together, we'll put ourselves in the place of someone who has to build a new hospital and so, who has to ask a number of questions and find the answers 10 years before opening the hospital. Why 10 years? Because in France between the moment you decide to build a hospital and when you have your first patients it takes at least 10 years. We'll see that in other countries this can be a bit quicker but in many European countries the necessary planning, marketing procedures and construction time takes about a decade. Ten years can be an eternity because the purpose of a hospital is to care for patients with the most sophisticated and state-of-the-art technology and medicine can make considerable progress in 10 years. We only have to look back over the last couple of years to see what has changed. Ten years ago infectious diseases like AIDS were often deadly and required long hospitalization periods. Today, it's seen as a chronic illness with thankfully a lot fewer hospitalization periods. When you look at surgery in the past an operation meant sleeping at the hospital. There are countries today where 80% of the time having an operation just means spending a few hours at a hospital. In France, it's between 40 and 45% of the time. I could go on about all these developments that have happened in the last 10 years. So, going back: you have the director of a large hospital facility who has to build a new hospital and knows it'll be done in 10 years. They ask themselves a lot of questions: Where do I build it? depending on population growth means of transportation and population typology. The major question they're going to ask themselves is: How big will this hospital be? It's a difficult question which may seem simple but is really quite daunting. How did we measure the size of a hospital in the past? By the number of beds. Today, using the number of beds to measure a hospital's capacity doesn't really mean anything. It would be better to ask how many 3 or 4.5-tesla MRI scanners? How many hybrid operating rooms for surgical procedures involving interventional radiology? How many radiotherapy rooms? How much power for its data storage? These are the elements that will more accurately define a hospital's strength, not the number of beds. Why is this? Because we're currently moving from a system where patients were tied to hospitals based on the length of their stay, to another system. Before, you began your hospital stay by being admitted. You were treated during your stay and you'd normally leave healed or at least back on your feet 10 or 15 days or 6 weeks later. The hospital would close your file, give you discharge orders and forget you, and you would forget the hospital as well. Today, that relationship has changed. For one thing, stays are shorter but the relationship with the hospital lasts longer. On the one hand, you as a patient are more likely to develop a chronic condition and on the other hand hospitals have ways to keep track of your medical record which is digitized and constantly updated. This relationship is very different and hospital stays are no longer a central part of it. However, we still need beds. Deciding becomes complicated. Two things are happening now: on one hand technological progress means that hospital stays for many patients will decrease. On the other, population growth and particularly its aging will increase the amount of patients that need to be hospitalized. So we have one change that reduces the need for beds, whereas another change increases it. It's rather complicated to determine how many beds will be needed in 10 years due to technological, demographic and epidemiological changes.





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- ➔ But that's not the only complexity because as I said before the heart of the hospital will be its technical facilities. These are elaborate and sophisticated structures that require close interaction between different teams and different equipment. So you have to build a technological core like in a power plant that can withstand the years and waves of technological progress. Why? Things can change a lot in 10 years. You don't build a hospital to last 10 years. Here we are at the Hôtel Dieu, founded in the Middle Ages. The current buildings are from 250 years ago. Some hospitals are 400 years old. You build a hospital – which is a huge investment – for it to last decades, or even a century. But to last a century and withstand wave after wave of medical innovation a hospital has to be able to adapt. Complicated decisions have to be made. When designing a hospital, the ideal situation would be to take a very large plot of land place a hospital and relocate it wing by wing. This means that as technology progresses and brings about different configurations you move one part close it up and at the end your hospital will have evolved in the same plot of land. It's a complicated thing to do. For example, in the Paris area the price of land is so high, you only buy the land that is strictly necessary for your hospital. We can talk about other complex elements: in the past, hospitals were enclosed compounds both because society protected itself from sick people by taking them to the hospital and because it shielded society from illnesses confined in the enclosure of a hospital. Today, on the other hand, hospitals have to be very open on all fronts: on the population front, so it stays accessible; sometimes we go there for a half an hour or a few hours rather than a hospital stay of a few weeks; but also on the economic front, the industrial front, and other care-related fronts. We're counting on economists and future economists to work on this because it's one of the most complex problems we have to solve. In 10 years, the hospital I'm talking about which will open around 2026-2027 will not be like the hospitals we think of today. It will be part of an integrated hospital system. This means the distinction we make today between seeing outpatient professionals and an in-hospital team should no longer exist. You will be admitted within an integrated system – like in other countries – which has been so difficult to establish in France. In this system, the same illness will be handled by the same team, whether it be in an outpatient clinic which may be attached to a hospital or on-site in a hospital's technical facilities but in the same system. Why would we need economists for this? If we haven't succeeded so far it's because outpatient and inpatient payment methods differ. Budgets for outpatient i.e. self-employed medicine and hospital medicine also differ. Pricing methods aren't the same – and legal statuses – it's very difficult to talk economics without law because law influences the economy. Legal statuses are not the same. If we don't have economic models that decompartmentalize outpatient and inpatient care we won't be able to design hospitals. Tomorrow's hospitals will be built by architects, medical teams, information technologists, and with applied economics.

