



PROTECTHEALTH

**BRIEFING ON
HOSPITAL SERVICES OUTSOURCING
PROGRAMME &
REQUEST FOR PROPOSAL**

25 JULY 2024



PROTECTHEALTH

HOSPITAL SERVICES OUTSOURCING PROGRAMME (HSOP) INTRODUCTION

**Hospital Tentera &
Hospital Pengajaran University (HPU)**

Outsourcing in Ministry of Health, Malaysia

Started as early as the 1990s where the privatization policy was introduced and the Ministry of Health was asked to implement the outsourcing initiative as a pilot project.



Facility engineering
maintenance services



Bio-medical
engineering
maintenance services



Catering services

Need to outsource clinical services, in view of:



High number of pending cases at public hospitals



Constraints on human resources, equipment and facilities



Potentially save government resources



The latest technology that is more efficient in private hospitals



When COVID-19 pandemic hit, services of non COVID-19 were interrupted...



Clinic appointment for stable cases were extended



Elective procedures were postponed



Implication...

50,000 case backlog at govt hospitals

By MOHAMED BASYIR and TEOH PEI YING - January 26, 2022 @ 9:00am



MOST POPULAR

- LATEST
- MOST READ

- 21m **#TECH: 'Trombone Champ', the hit video game that'll turn you a virtual trombone virtuoso**
- 36m **Vaccine appears to protect against monkeypox, CDC says**
- 50m **Anwar ready to contest seats held by "traitors" of PKR, PH**
- 56m **Ian swamps southwest Florida, trapping people in homes**
- 1h **Azah Aziz's collection to be displayed in 2024**
- 1h **Selangor's former Aussie players cry foul**
- 1h **#HEALTH: World Heart Day - silent heart attacks**

VACCINE



REGION Sep 9, 2022 @ 9:49am

Indonesia must address low booster vaccination rates

Private hospitals to help clear govt backlog of 50,000 cases

FMT Reporters - January 17, 2022 8:57 AM

758 Shares

f 714

🐦 22

📞 21



Year	Total Cases			Expenditure , RM
	Surgical	Imaging/ Radiology	Overall	
2020	1,383	674	2,057	11.6 juta
2021	11,684	9,088	20,772	174.8 juta
2022	5,843	20,632	26,475	48.7 juta

Result...

Health Ministry to settle 4,833 backlog cases soon - Khairy



NATION

Monday, 22 Aug 2022

7:21 PM MYT



PUTRAJAYA: The Health Ministry will settle the remaining 4,833 cases of non-Covid-19 backlogs at government hospitals soon, says Minister Khairy Jamaluddin (pic).

Issues & challenges



Way forward-2024



Strategic Planning.

- Type of services for outsourcing.
- Performance Metrics.

Enhanced Governance and Oversight

- Transparency
- Accountability
- Compliance
- Regulatory requirement



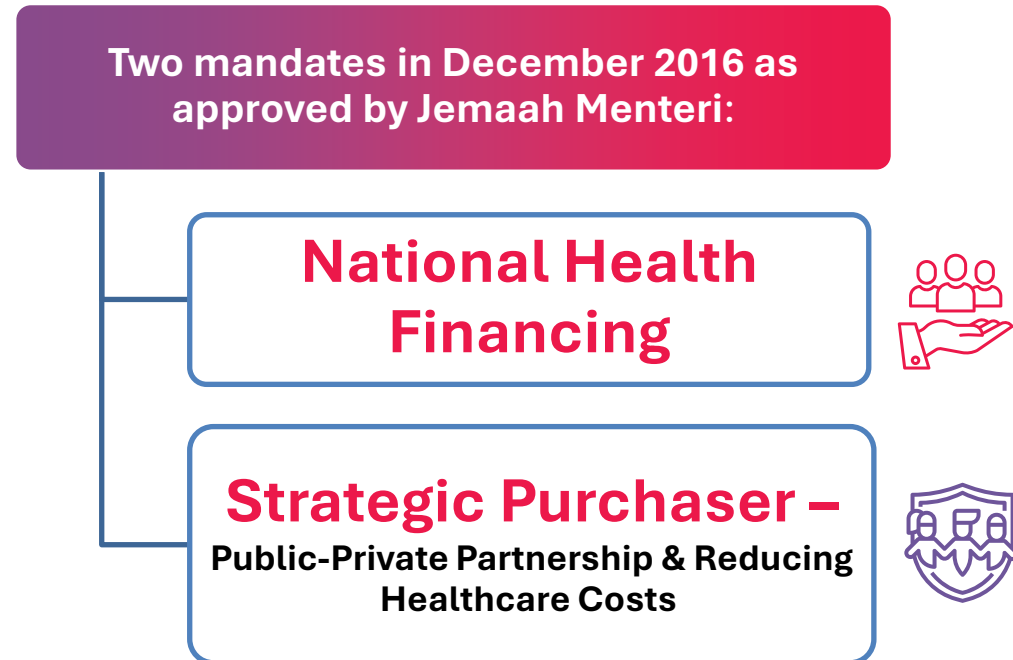
- Cardiothoracic
- Cardiology
- Radiology/Imaging
- Nephrology
- Nuclear Medicine

ABOUT PROTECTHEALTH

ProtectHealth Corporation Sdn. Bhd. (ProtectHealth) was incorporated on 19 December 2016 as a wholly-owned subsidiary of ProtectHealth Malaysia (PHM), established under the Ministry of Health, Malaysia (MOH).

As a not-for-profit company, we coordinate, administer and manage initiatives related to financing healthcare services as mandated by MOH.

ProtectHealth Malaysia & ProtectHealth Corporation were established with:



perubatan MADANI

ProtectHealth has been appointed as the healthcare scheme administrator for Skim Perubatan MADANI on 5 May 2023. The pilot programme as announced by YAB Prime Minister during the Budget 2023, will initially be for 10 districts.

PeKa B40

On 15th April 2019, as per our Strategic Purchaser mandate, we carry our role as the healthcare scheme administrator for Skim Peduli Kesihatan untuk Kumpulan B40 (PeKa B40) as mandated by the Government.

ESP SPIKPA

Starting from 12th November 2020, we have been appointed as the Electronic Services Provider operator for Skim Perlindungan Insurans Kesihatan Pekerja Asing (SPIKPA).

VAKSN COVID19

Given our experience and capabilities in discharging Strategic Purchasing role, on 8 March 2021, ProtectHealth has been appointed by the Ministry of Health as the implementer of Private Medical Practitioners' and Healthcare NGOs' participation in the National COVID-19 Immunisation Programme.



ABOUT PROTECTHEALTH

The Company is established to serve a strong social purpose, namely:

1

to be a **leader in introducing innovative health financing mechanisms** in order to improve access and enhance the value and effectiveness of health care for the people in Malaysia;

3

to implement an equitable, effective and efficient source of funding to **supplement the public funding for health care** such that strong health services for the community can be sustained; and

2

to **create a healthy and strong competitive market to any health financing agency** by operating as an efficient organization that can serve as a benchmark to local companies of similar function;

4

to expand **accessibility to quality healthcare services** by enhancing the utilisation of the public-private ecosystem.



SHAREHOLDER STRUCTURE

**Government Owned Company
(GOC) under Ministry of Health
(MOH)**



**ProtectHealth Malaysia (PHM)
Company Limited by Guarantee
(8th Dec 2016)**

Board of Directors of PHM

100% shares owned by PHM
*PHM as a member of
ProtectHealth by "Corporate
Representative" appointed by
BOD of PHM*

**ProtectHealth Corporation Sdn. Bhd.
(Company Limited by Shares & Not-for-
profit) (19th Dec 2016)**

Board of Directors ProtectHealth

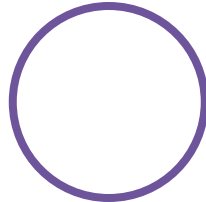


BOARD OF DIRECTORS & KEY LEADERSHIP

Board of Directors



**Datuk Dr
Muhammad Radzi
Abu Hassan**
Chairman of the
Board
Director-General of
MOH



Vacant
Secretary-
General of MOH



**Pn Noor Alifah
Norzam**
Director
MOF
Representative



**En. Nurhisham
Hussein**
Non-Independent
Director
Senior Director,
Economy &
Finance, Prime
Minister's Office



**Pn Roshidah
Abdullah**
Independent
Director
Chartered
Accountant
Formerly CFO of
Sumatec



**En. Johari
Abdul Muid**
Independent
Director
Former MD of
RHB and EPF
Deputy CEO



**Professor Eilil
Renganathan**
Independent
Director

Key Leadership



En. Zainal Abidin Shariff
Chief Executive Officer



Dr. Gan Saw Chien
Head, Strategic
Purchasing



**Dr. Muhammed Anis
Abd Wahab**
Head, Quality Assurance



**Wan Mazuki Wan
Hassan**
Head, Operations



Lokman Hakim Hashim
Head, Finance & Account



Mohd Farrish bin Khalid
CeIO, Certified Integrity
Officer



Azhar Samsudin
Head, Human Resources
& Administration



Amir Bedin
Head,
Digital Technologies



Ahmad Azizi Zakaria
Head,
Corporate
Communications



**Dr. Muhammad Fairuz
Abdullah**
Head, Health Advocacy



Marini Jamlus
Head, Internal Audit



**Syazwani Syaheerah
Slamet**
Head, Legal



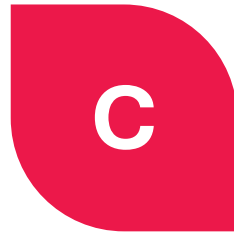
Ain Azierah Azman
Company Secretary

CORE VALUES



ACCOUNTABILITY

We take the initiatives to own our responsibilities and to exceed expectations



COMMITMENT

Dedicated to the well-being of our stakeholders



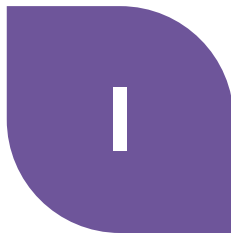
TEAMWORK

We work as a team to be more effective and efficient



RELIABILITY

Consistently good in our quality



INTEGRITY

We are trustworthy and act in good faith. We do it right



TECHNOLOGY AND INNOVATION

Continuously improve our services and processes by embracing new and better ways of doing things



EMPATHY

We care about our stakeholders



OUR CAPABILITIES



STRATEGIC PURCHASING

Developed PeKa B40 benefit package for relevant target group, payment mechanisms & contracting of providers, purchasing the right healthcare services and management of providers. Through price negotiation **we have successfully saved government over RM10 million.**



PROTECTHEALTH DIGITAL MANAGEMENT SYSTEM

ProtectHealth proprietary in-house software capable of storing the data of the eligible recipients, providers, medical reports, statistics, medical audits, claim status among many others. All providers are connected through our digital system.



MEDICAL CLAIMS MANAGEMENT

Through our in-house medical claims management, we organised, billed, filed, updated and processed medical claims related to patient diagnoses, treatments and medications.



OUR CAPABILITIES



CUSTOMER RELATIONSHIP MANAGEMENT

Responsible for the development and maintenance of mutually beneficial relationships with strategically significant partners and stakeholders. Manages all inquiries through telephone, e-mails and social media.



MEDICAL AUDIT

Responsible for a step-by-step analysis for the quality improvement of patient outcomes and financial risk protection for an effective and efficient healthcare system. Performed GP audits both periodic and random, also investigated data anomalies.



COMMUNITY OUTREACH

We have reached out and served our beneficiaries with our community outreach programmes. To date, we have successfully organized more than 100 outreach programmes nationwide and it has garnered international recognition.



PARTNER DISTRIBUTION



172 Pathology Labs



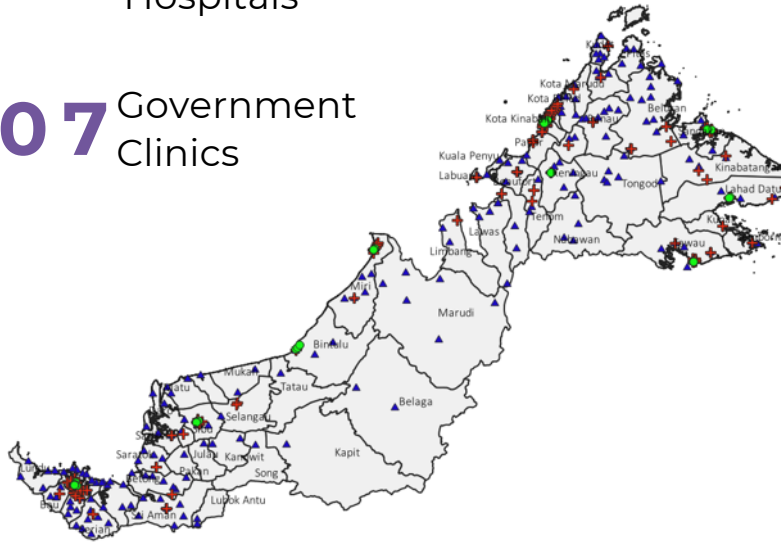
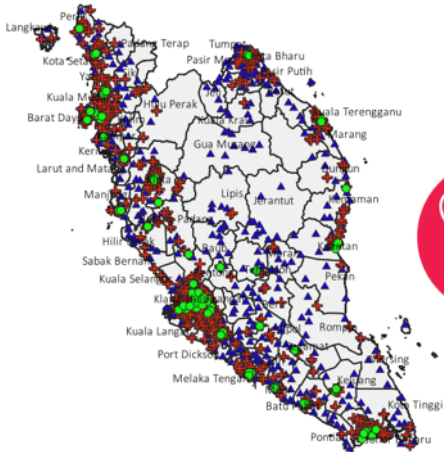
147 Government Hospitals



1,007 Government Clinics



3,513
General Practitioners



Legend:

- + General Practitioners (GP)
- ▲ Klinik Kesihatan (KK)
- Pathology Labs

ProtectHealth is spearheading the strengthening of public private partnership and is the first in the country to be successful in purchasing services from both public and private sector.



2,500

General Practitioners



2,200+ PPVs



24 Insurance companies and Takaful operators



2 Third Party Claim Administrators

Snapshots of ProtectHealth Competencies



Community Outreach



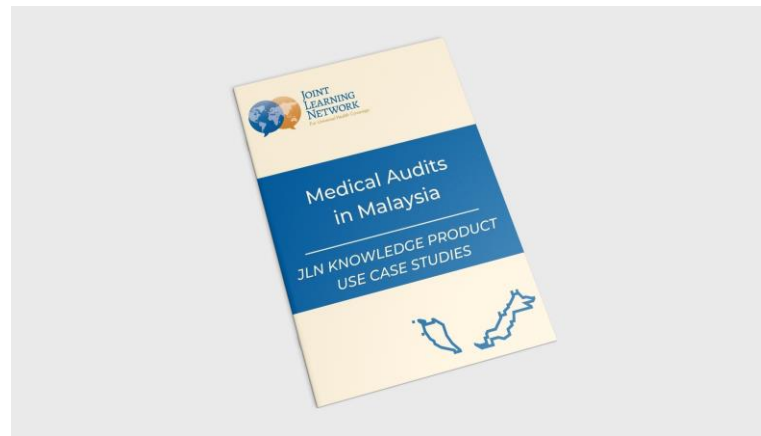
Medical Analytics



Strategic Purchasing



Largest Public-Private Partnership Programme (Vaccination)



Medical Audit



Large Scale System (In-House) Development

BACKGROUND

- **RM144,000,000** has been allocated to **outsource hospital services to private hospitals.**
- **The objectives of outsourcing are:**
 1. **Reduced Waiting Time** (of elective cases) - **90%**
 2. **Decongestion** (of wards/emergency departments) - **5%**
 3. **Others** (ad hoc outsourcing) - **5%**
- **To start with high volume, high value (optimise value-for-money)**
 - **Cardiothoracic** (Coronary Arteries Bypass Graph)
 - **Cardiology** (Investigations, Diagnosis, Interventions)
 - **Imaging/Radiology** (Ultrasound, CT Scan, MRI Scan)
 - **Nephrology** (Arteriovenous Fistula Surgery)
 - **Nuclear Medicine** (PET Scan)

NOTE: May shift to other services if not receiving satisfactory support/offers from private/university hospitals.



BACKGROUND

- **RM144,000,000** has been allocated to **outsource hospital services to private hospitals.**
- **The objectives of outsourcing are:**
 1. **Reduced Waiting Time** (of elective cases) - **90%**
 2. **Decongestion** (of wards/emergency departments) - **5%**
 3. **Others** (ad hoc outsourcing) - **5%**
- **To start with high volume, high value (optimise value-for-money)**
 - **Cardiothoracic** (Coronary Arteries Bypass Graph)
 - **Cardiology** (Investigations, Diagnosis, Interventions)
 - **Imaging/Radiology** (Ultrasound, CT Scan, MRI Scan)
 - **Nephrology** (Arteriovenous Fistula Surgery)
 - **Nuclear Medicine** (PET Scan)

NOTE: May shift to other services if not receiving satisfactory support/offers from private/university hospitals.



TIMELINE FOR IMPLEMENTATION

Planning phase

- Gathering and analysing important data
- Getting mandate to implement
- Working out together with KKM strategies for outsourcing
- Identifying resources need for implementation
- Preparing proposals of roll out plans
- Identifying potential providers

Q1 2024

Roll out

- Start outsourcing cases to private providers
- Monitoring of the outsourcing program
- Managing incoming risks
- Start claims data collection
- Managing provider and patient feedbacks
- More negotiations & contracting if needed
- Onboarding more providers if needed
- Improvements of IT systems

Q3-Q4

2024

Expansion

- Expansion of hospital services outsourcing
- Application of innovative payment mechanism

Development & Preparation

- Setting up implementation team
- Stakeholder engagements
- Expanding DT System to incorporate Casemix parameters and hospital services module
- Developing fee schedule and payment mechanisms
- Developing quality and risks monitoring for the whole program
- Finalising Outsourcing pathway including patient pathway
- Request of Proposals & Market Analysis
- Developing contracts and agreements
- Onboarding providers
- Final User Acceptance Testing (UAT)
- Distribute system to hospitals and training
- Finalising case lists to be outsourced
- Securing implementation budget

Maintenance & Future Planning

- Continue monitoring and management of risks
- Improvement of implementation based on feedbacks
- Analysing financial data for future planning
- Planning for expansion of hospital services outsourcing
- Developing innovative payment mechanism for hospital service outsourcing

Q2 2024

2025



DEC 23



SERVICES AND PROCEDURE/TREATMENT INVOLVED

Cardiothoracic

- Adult Open-Heart Surgery
- Coronary artery bypass graft (CABG)
- Valve Replacement (AVR/ MVR)

- Paediatrics Open-Heart Surgery (Congenital)

Cardiology

- Cardiology Investigation
- Holter
- Echocardiogram
- Exercise Stress Test
- Dobutamine Stress Test
- Cardiology Intervention
- Coronary Angiogram
- Percutaneous Coronary Intervention (PCI)
- Paediatrics Cardiology (congenital)

Radiology

- CT Scan
- MRI
- MRI Cardiac
- Ultrasound

Nephrology

- Atrio Venous Fistula Surgery (AVF)

Nuclear Medicine

- PET Scan



OUTSOURCING PROCESS OVERVIEW



PROTECTHEALTH

MAIN OUTSOURCING PROCESS

PRICE SETTING via RFP & COSTING

Request for Proposals (RFP) from Private Hospitals

Analysis Proposed Prices & Specifications & Compare with MOH (& Private) Costing

Pre-determine Prices & Spec.

DIGITALISED OUTSOURCING PROCESS

Qualified providers inform maximum capacity (Digitalised Market-Place)

Pre qualify & contract with interested private hospitals

Engage with Private Hospitals

Zoning:
Optimise competition (multiple private hospitals) & patient accessibility (not too far)

Allocation:
Allocate equally to qualified & within zone private hospitals (not exceeding max cap)

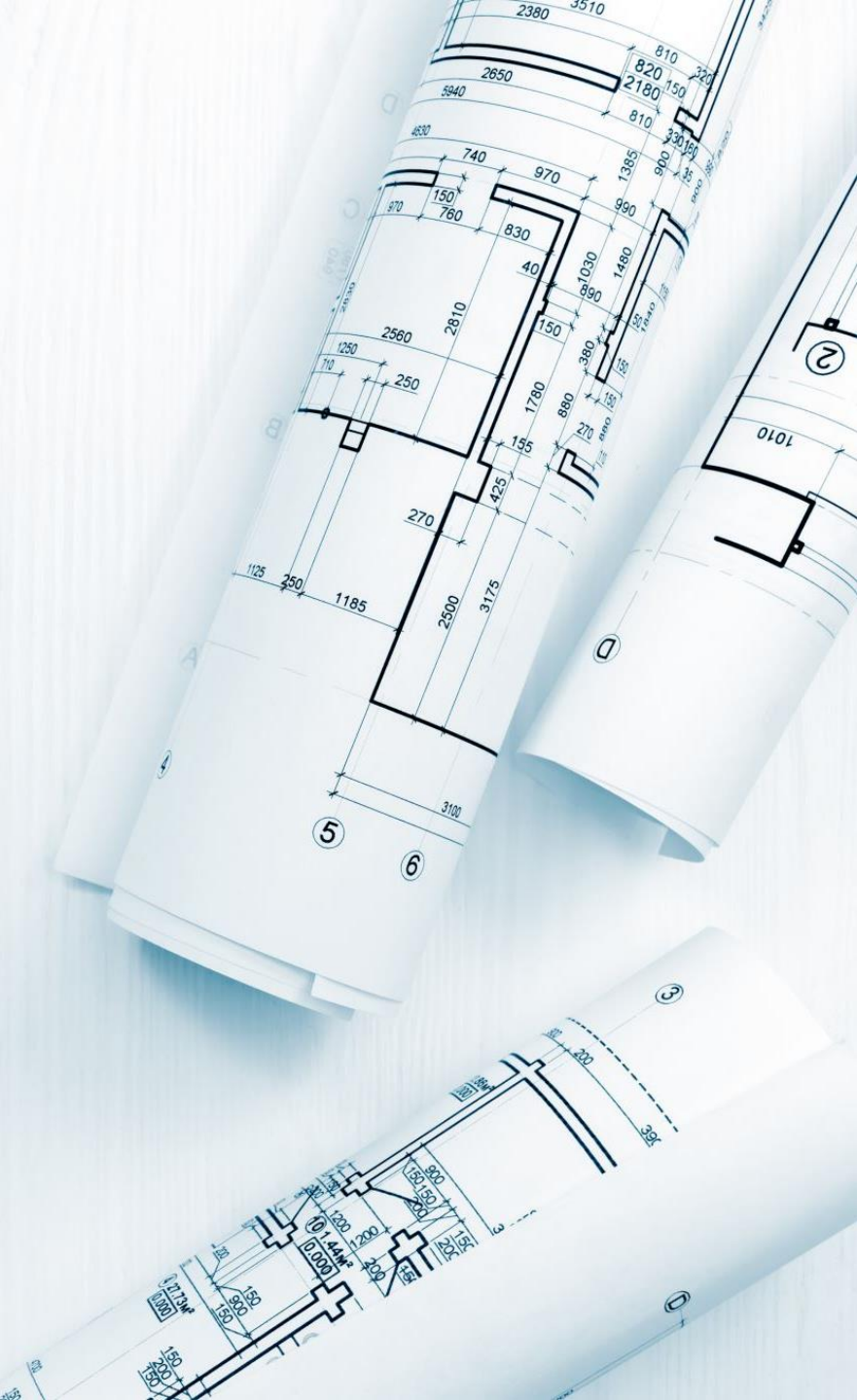
Start Service
- MOH Specialist identify patients and refer
- Private Hosp arrange appointment, provide services & claim



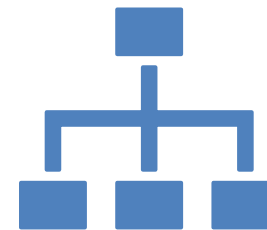
REQUEST FOR PROPOSAL

- Introduction
- RFP Components





INTRODUCTION



Objective: A Request for Proposal (RFP) is a document that outlines the requirements and specifications for a project.

Purpose: Facilitates a structured procurement process by inviting vendors to submit proposals for fulfilling a specific need.

IMPORTANCE OF RFP IN PROCUREMENT



Ensures a fair and competitive bidding process.



Enables objective evaluation and market analysis of vendor proposals.



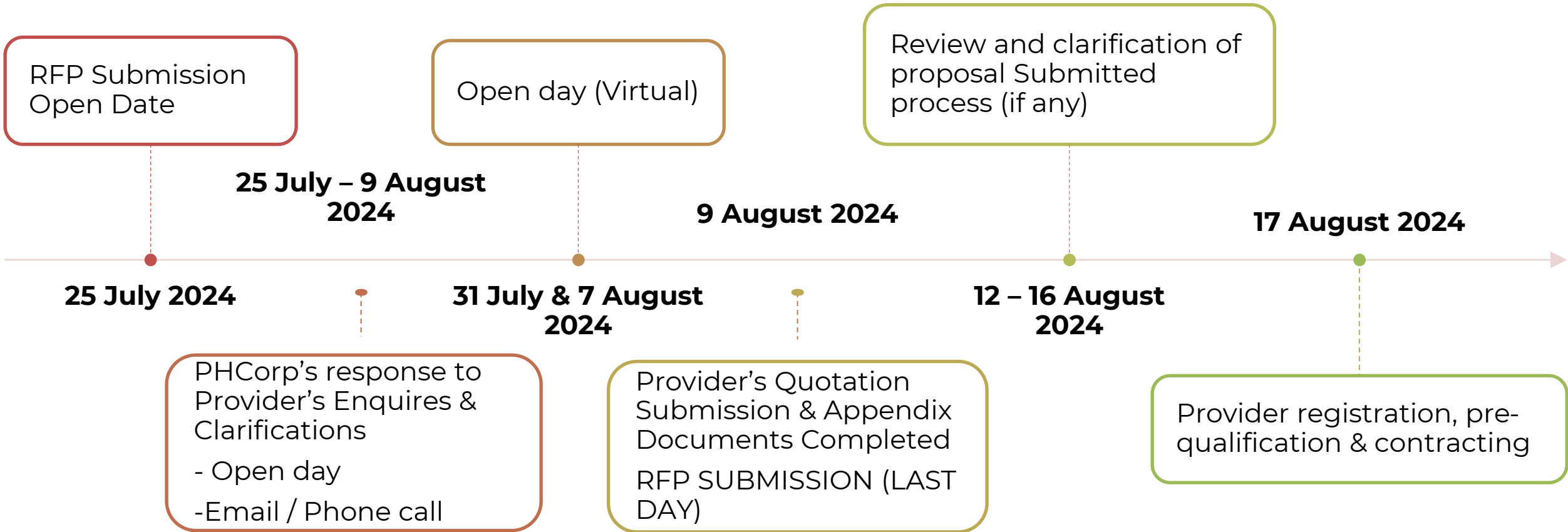
Mitigates risks by defining project expectations clearly.



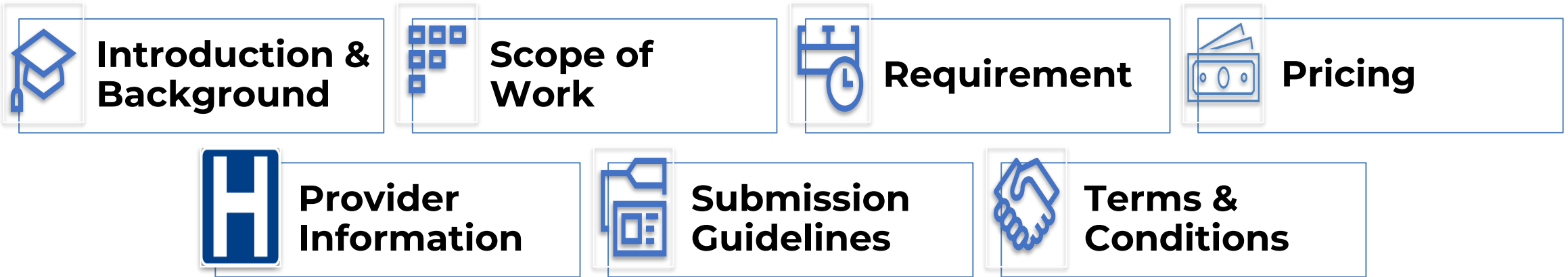
Enhances transparency and accountability in procurement.



RFP PROCESS & PLANNING



RFP COMPONENTS



1. INTRODUCTION AND BACKGROUND



Overview

Clearly state the purpose of the RFP, outlining the specific goals and objectives that the organization aims to achieve through the procurement process.



Company Information

Provide a brief overview of our company, including its mission, vision, and key functions. This helps bidders understand the context in which the project is taking place.



2. SCOPE OF WORK

Outlines the specific tasks, services, and responsibilities that the selected vendor or service provider will be required to perform under the proposed agreement.

It provides a detailed and comprehensive description of the work to be undertaken to achieve the objectives outlined in the Request for Proposal (RFP).

This section serves as a roadmap for the successful execution of the project or services.



3. REQUIREMENT



**Staffing
Requirements**



**Equipment
Requirements**



**Software
Requirements**



Medicine



Procedure



4. PRICING

The Private Provider is expected to offer the procedural cost as a **bundled package**. In this context, a **bundle fee** entails that the price incorporates all associated services.

It is not based on individual fees for each service; instead, **a fixed fee is paid upon completion of the procedure, irrespective of any variations that may occur during the course of treatment.**

A bundled package provides a comprehensive and transparent pricing model, simplifying the billing process by encompassing all necessary services under a single, predetermined cost and **allow the private provider to optimise the necessary services providing to patients in order to deliver quality health care services with good efficiency.**



5. PROVIDER INFORMATION

HQ

Provider Name

Provider Experience

Provider Address

References

Person-In-Charge

CKAPS License

Type of services

BRANCH

Branch Name

Experience

Address

References

Person-In-Charge



6. SUBMISSION GUIDELINES

- The proposal should be organized in a clear and logical manner, with each section clearly labeled. The Provider should also ensure that the proposal is complete and addresses all the requirements in the RFP.
- It should include all the necessary information as outlined in the RFP, including details below.
- **Submission Check-list**
 - Please make sure your submission is complete and all documents listed below are submitted as **electronic copy** to hsop_rfp@protecthealth.com.my.
 - Submission consists of the following:
 - 1. Request for Proposal (RFP)**
 - 2. Company Profile**
 - 3. Other supporting documents**
 - Any response received after this date may be considered non-responsive, and ProtectHealth would not be obligated to engage your organization any further in our RFP process.
 - All responses and supporting documentation shall become the property of ProtectHealth Corporation and will not be returned.



7. TERM & CONDITIONS

Section	Description
Payment Terms	After the procedure is done and whole service is completed (including post-procedure follow-ups and referral as stipulated), the payment will be made within 3 month of complete submission of claims
Contract Length	July to December 2024



DOCUMENTATION & VIDEO

The RFP documents are accessible for download starting today through the website <https://protecthealth.com.my/hsop/>

Additionally, recording videos will be made available for your reference.



OPEN DAY 31 July & 7 August 2024

Online (31 July)

- Platform: Zoom
- 10.00am – 11.00am
- Link for registration will be available online in ProtectHealth website (<https://us02web.zoom.us/j/85325785847?pwd=6cR4S6BxJkP53Yk5MbWMDmboTi2Jot.1>)

Online (7 August)

- Platform: Zoom
- 10.00 am – 11.00 pm
- Link for registration will be available online in ProtectHealth website (<https://us02web.zoom.us/j/83097792133?pwd=MpLfRFS2wLYaC2XC2Un6cVC7g7JO7a.1>)



SUBMISSION DAY

Thursday, 09 August 2024, please make sure to deliver by digital copy to **hsop_rfp@protecthealth.com.my** before 4.00pm.





PROTECTHEALTH

THANK YOU



PROTECTHEALTH