



fact that the medical schemes are largely not-for-profit. Of course, this does not mean that profits are not paid – a number of intermediaries have found ways to reap astronomical profits in this sector.

The Department has held discussions with the Financial Services Board (FSB) in order to ensure that all the issues surrounding demarcation are resolved in a manner that allows for health policy considerations to be achieved fully while allowing for genuine top-up cover to remain. These interactions have resulted in a sufficiently broad consensus on a number of issues, including the fundamental concern that health insurance products should not mimic a medical scheme, and should therefore not be engaged in the business of a medical scheme.

It has been agreed that the definition of a 'health policy' in the insurance bills be amended to require, firstly, that the benefits be triggered by the occurrence of a health event, and secondly, that they are not provided directly to any provider of a service. The definition will also be adjusted to require that the policy benefits are not aimed at defraying actual costs incurred in the provision of a health service in the same way that a medical scheme would. The Department recognises that these definitions are formative in nature and may require refining as we gain a better understanding of the vexing question of appropriate demarcation between community rated medical schemes on the one hand, and age and risk rated health care products on the other.

We are pleased, nonetheless, that this new formulation will enable the Registrar of Medical Schemes to take firm action against any party that should seek to engage in the business of medical schemes without having gained registration under the Act.

We are of the opinion that the proposed demarcation is a reasonable beginning as it seeks to ensure that the environments through which people can gain cover are not in conflict with each other. It is also reasonable precisely because it seeks to attenuate the possibility of arbitrary action by providing objective guidelines on the type of business that insurers cannot engage in. It is ultimately reasonable because it seeks to ensure that the insurance bills do not undermine health policy. Securing such a demarcation is the only way that the Department of Health can ensure that reforms of non-discrimination on the basis of age and health condition take root. The alternative would be a system where competitors would 'win' by essentially doing the business of a medical scheme while also excluding some people because of their age and health status. Such behaviour would not only put the financial soundness of the remaining community rated schemes at risk, but would further increase the current levels of cost-shifting onto public hospitals. This would, in my reckoning, be a most unreasonable outcome.



PRACTICE MANAGEMENT

WHY I CHOOSE THIS PRACTICE

by Louis Fick

The medical profession and the entire health care industry exists to service people – specifically to care for their health. Our business is people. People will determine the success of a practice.

There are different groups of people playing a role in the functioning of a practice, e.g. patients/clients, referring doctors, and staff. And each one has a different set of reasons why they choose a specific practice to service their specific needs.

A comprehensive survey and literature study was conducted to determine why these groups choose a specific practice to satisfy their specific needs. Some salient outcomes are reported here.

PATIENTS

The most important finding is the fact that the mindset and the expectation of the patient is vastly different to that of their counterparts of previous eras – they have become critical 'clients' who demand value for their money for high quality service.

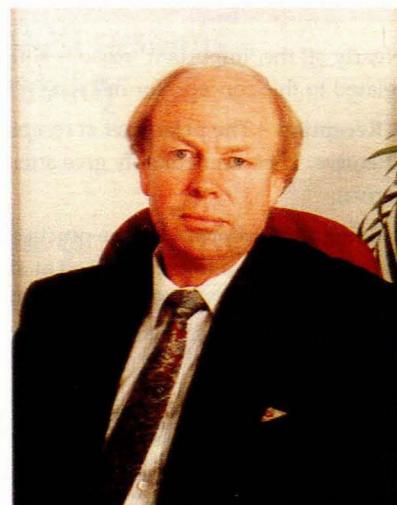
They are not prepared to be just another number in the waiting room at the mercy of the powers that be, without receiving attention, service or being informed. This is the surest way of losing your patients and your practice!

Let's list the reasons why a patient chooses a practice as it is this decision that directly relates to the success of the practice.

FIRST CONTACT

There are three main reasons why patients choose to go to a particular practice:

- Convenience



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- Recommended by friend
- Recommended by referring doctor

REASONS FOR CHOICE

Patients may have many first contacts with many practices. The question is why they remain with some and not with others?

That the patient is treated with respect is in general terms the most important composite reason quoted by patients. The esteem need of Maslow is being satisfied in this case: 'You are made to feel that you are someone of value. They give personal attention to you.' This means utilising the second highest need in Maslow's hierarchy of needs to motivate patients to remain with your practice.

What small price to pay, what significant results

Nearly all the 'important' reasons singled out by patients, are related to this concept, for instance:

- **Reception** – The personnel at reception are friendly and attentive. They immediately give attention to the patient on arrival.
- **Being kept informed** – The practice staff really listen to the patients and keep them informed at all times. If patients are kept waiting, they are informed as to the expected length of the delay. The doctor will take the effort to discuss your case with you in detail.
- **Environment** – The practice rooms are not just the bare basics with torn and age-old magazines. The practice has created a pleasant environment. It is nice to be there and the patient would prefer to go there.
- **Time** – Patients treasure time. It is only the exception if an appointment with the patient can't be kept. If the practice is running late, they may even phone the patients at work/home to inform them about it. They give the patient the option to reschedule.
- **Fees vs. Quality** – The practice may not charge the lowest fees, but they are reasonable; the patient gets their money's worth. The practice staff are professional and treat all patients with respect; even with follow-up after the consultation, to check on the well-being of the patient.

PERSONAL ATTENTION AND RESPECT is the name of the game.

The practice is interested in the patient as a person and in satisfying their needs, not in satisfying the practice's own needs, e.g. making money or running an effective and professional practice.

REFERRING DOCTORS

This category is not applicable to all practices, e.g. the general practitioner. To those groups that do fall in this category, a few surprises may come to the fore.

- **Received value addition** – This in general terms is the most important composite reason quoted by referring doctors. The service rendering principle of conducting an effective business, is emphasised in their case. 'The best value we (as referring doctors) and our/your patients can get, determines to which practice we send our patients.'
- **Reliable and effective service rendering** – You know that your patient will receive basic good services, e.g.
 - Will be well received.
 - Will be treated properly and with respect.
 - Will not be kept waiting.
- **Professionalism and effective service** – You know that you will always receive cutting-edge professional and technical service in the specialised field and that your feedback (if it is considered necessary), will be fast and effective.
- **The reverse-principle** – You know that the reverse-principle operative in a service-rendering partnership will always apply to you, i.e. if your partner succeeds, some of the glory rubs off on you; but if he/she fails, the full brunt and more hits you; and you usually have very little control over this fate. So choose your partner carefully in the first instance. If you found a 'winner', stick to him/her!

STAFF

What are staff looking for in a practice of their choice - a prioritised list of top 10 factors:

- To be treated with respect.
- To be informed.
- To be part of a respected, reliable, effective and professional (cutting-edge) practice.
- To be secure in your employment/job.
- To work in a pleasant and pleasing environment.
- To enjoy good human relations.
- To receive a good market-related basic income.
- To receive more when doing more, i.e. performance-based incentive pay, and personal recognition from you.
- To be proud of your seniors/doctors.
- To be able to develop oneself.

Note how high the 'human factors' are in this list (i.e. to be recognised as a human being in your own right and being part of the team), and how low-down money appears. All role-players, i.e. patients, referring doctors and staff, share the first three factors. Certainly they are the winner-factors making the difference – the factors to focus on.