Chapter 7

Outsourced Health Care Services: Experiences and Positions of Medical Staff

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ABSTRACT

This paper provides answers to the question of how medical doctors and nurses at health centres narrate their experiences of outsourced health care services and make sense of their position in the new organization. The article contributes to the debate on the recent change in the marketization and transformation of health care organizations. The research material consists of seven group interviews with medical doctors and nurses. The method makes use of viewpoints from the narrative approach. The results of the analysis indicate that the workers interviewed are primarily rational professional actors. They do not actively take an emotional position. The short contracts between public or private actors mean that work processes in the outsourced health care organizations are intermittent. It may be necessary for the workers to adopt a strong professional identity without strong mental ties to the employer.

INTRODUCTION

In Finland, the municipalities are required by law to provide and organize health services for their residents. The Finnish health care system is characterized by universal coverage based on citizenship. Health services are typically financed through taxes in this kind of system (Schmid, Cacace, Götz, & Rothgang, 2010, p. 465). In practice, public health centres are the means by which the primary health care is organized. However, providing basic health care does not mean that the municipality should necessarily produce the services itself. There are several options for how the health services can be organized. The municipality may, for instance, provide the
services together with other municipalities or purchase them from the markets, outsourcing being one of the possible ways of purchasing services. Privatization, a common form of market-oriented reforms in some countries e.g., the United Kingdom, is not possible within the limits of the current legislation in Finland (Ollila & Koivusalo, 2009; Pollock, 2005). Outsourcing in public health care is, however, almost universally used as a privatization process. The primary aim of the public sector is to increase efficiency and decrease costs by integrating private sector services into the public sphere (Young, 2008, p. 446).

New liberalist competition practices were adopted from economics and the private sector into Finnish public health care during the 1990s (Laiho & Ruoholinna, 2011, p. 13). In 2008 about a quarter of service production in social and health care occurred outside the public sector in Finland (National Institute for Health and Welfare, 2010a). The outsourcing of health centres is one example of a global change in which marketization has gained ground in the field of health care (Laamanen, Simonsen-Rehn, Suominen, Øvretveit, & Brommels, 2008; Plomp, 2008). In Finland there are several municipalities in which the work of entire health centres has been outsourced to private service providers (Parmanne & Vänskä, 2006, p. 5202). Altogether, the significance of outsourcing in public health care has been quite modest.

Expressed in the parlance of competition, outsourced health centres represent one private industry or form of production in health care (Porter, 1990, p. 317). In health care competition does not mean only putting out services to competitive bidding or privatization. It is a matter of competition in health results, and the competition is about who produces quality services (Teperi, Porter, Vuorenkoski, & Baron, 2009).

Outsourcing is one of the possible ways to patch up the deficit of health care workers in the public sector. As a long-term solution, medical education has been increased and health care professionals have been recruited from abroad, just as in the other European countries suffering from a lack of health care professionals (Fabian, 2005; Tiilikka & Tolkki, 2009). In Finland international companies try to recruit health care staff from abroad, which means that the home country of a health care professional has one doctor or nurse less (Allsop, Bourgeault, Evetts, Le Bianic, Jones, & Wrede, 2009, p. 504). Outsourcing has mostly been used in extreme situations where the municipalities are in danger of failing in their statutory requirement to provide services for their inhabitants due to the lack of medical staff. This has been the case in all of the three municipalities where the research was conducted.

Recent years have seen an increase in the outsourcing of health care services in various parts of Finland, notably in those municipalities in which there is a shortage of doctors. Municipalities choosing to contract with private producers do so primarily due to difficulties in recruiting doctors or other health care staff (Teperi, Porter, Vuorenkoski, & Baron, 2009, p. 49). The total amount of health services contracted out has been very small in Finland (Laamanen, Simonsen-Rehn, Suominen, Øvretveit, & Brommels, 2008, p. 295). In 2009, 37 of the 329 health centres in Finland were outsourced (Mikkola & Tuominen, 2010; National Institute for Health and Welfare, 2010b). However, the majority of the medical doctors and nurses continue to be employed by a municipality and, for example, the majority of health centre doctors continue to be in the employ of a municipality or union of municipalities.

Yet the outsourcing of health care services continues and in addition to numerical data there is a need for more qualitative research to reveal the stories behind the figures (Parmanne & Vänskä, 2006, p. 5202). There is a need for micro-level research about new forms of health services (Dahl, 2009, p. 634). The aim of this article is to increase the understanding about the transition of health centres to privately provided services from the viewpoint of the employees. I endeavour to answer the question as to how the experience
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