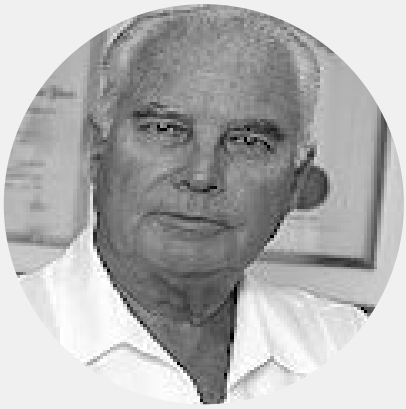
Interview: Luis Pinillos & Carlos Vallejos – Chairman & Director, Grupo Auna – Peru



11.05.2015

Tags: hospitals, insurance,

Luis Pinillos and Carlos Vallejos both served as Directors of INEN, the Cancer Institute and Minister of Health during President Garcia's administrations. They discuss the achievements made before, during and after their terms, as well as the exciting new developments being made with the Grupo Auna, as a leading network of private healthcare in Peru today.

What were the most important achievements made during your tenures?

Pinillos: I served as Minister of Health between 1988 and 1989. The situation in Peru at that time was conflicted, due to economic instability and the presence of the Shining Path. Despite having little capital, it was important to demonstrate leadership in those times. During my tenure, we started a number of actions for chronic disease prevention, a practice uncommon at that time. We also focused on child and mother issues as well as vaccinations, both very important back then. A triennial plan for the reduction of child mortality was launched and was very successful. AIDS was also rampant during this era; we actively promoted and educated people about the disease. The Ministry also promoted and funded a huge increase in oral rehydration units managed by the local mothers throughout the country, which was a great success. These low-cost and very effective units significantly reduced child mortality, and had a posterior role in the cholera epidemic a few years later through the positive attitude and preparation by Peruvians using these units.

Medical education was important and a Residency for Family Medicine was implemented in coordination with the medical faculties.

I also created a policy against tobacco use 1985 when I directed INEN. The idea started informally; with a group of volunteers a Coalition started and was later formalized with the name of COLAT and still operates today nationally and as part of an international group for tobacco control, originally with support from the American Cancer Society and PAHO.

We also created a program for chemotherapy administration (PROSOMO) that had the strategy to buy through corporate purchases medicines. With EsSalud, the Military Hospitals and MINSA buying through a public bid, prices were lower and the savings gave us the opportunity to offer chemotherapy for five potentially curable cancers for poor people. We were given a seed fund of USD 1 million by García's administration for this, a lot for that time. The next administration stopped PROSOMO due to changes in policy. Private costs paid for those getting chemotherapy for free, and some people unfortunately believed it was unfair for private people. But someone had to pay for it; ultimately everybody had to pay more to get chemotherapy and many could not afford it. Pediatric oncology had a good start.



Vallejos: I was appointed as Minister at the beginning of Garcia's second term in 2005, a markedly different time for the country; this was useful for us in terms of facilities to apply new measures regarding how to handle general public health. One of the most important principles was to always look forward, regardless of mistakes made in the past. This included recognizing the value of Seguro Integral de Salud (SIS), which had to be improved and today has four times as many affiliates.

Prevention has been one of the best resources in countries like Peru to fight most health problems. We developed a program that permanently eradicated rubella from Peru, having vaccinated 20 million Peruvians and received recognition from WHO and PAHO for this. We also vaccinated 10 million citizens against Hepatitis B, an endemic disease in our country. Furthermore, during my tenure we implemented one of the best vaccination programs for Peruvian children, including 16 free vaccines, particularly for respiratory and digestive diseases which at that time a main cause of death in rural areas. This resulted in a decrease in childhood disease indexes. We also improved the decades-old *Juntos* program by giving money directly to the country's poor people, by

monitoring monthly school attendance, vaccination, and nutrition of children as well as pregnant women. WHO also recognized us for this. We also translated PROSOMO from cancer-only to all medications needed in the public sector. We invited EsSalud and the Armed Forces hospitals to participate in a cooperative acquisition, saving USD 60 million and dropping medication prices significantly.

Peru's recent economic growth has allowed us to improve services and infrastructure of 3,000 public health establishments across the country. During my tenure, we also began the program to construct new hospitals in Lima and in the provinces. This has been continued under new Ministers through the support of the President and Congress. Without both political and economic support, these achievements would have been much more difficult.

Pinillos: The two of us have collaborated on many projects, regardless of position. For example, we started cancer programs for general hospitals in and outside Lima and we inaugurated two cancer regional institutes in Arequipa and Trujillo. From then on, between 2000 and 3000 new cases of cancer per year are seen in these decentralized institutes, working in close cooperation with INEN.

Vallejos: This was the breaking of a paradigm. Before that, if people had cancer they had to come to Lima. It was the only city with a qualified establishment for receiving treatment. We fought for this, and now the results speak for themselves.

Pinillos: In 1987, we moved INEN from Lima's city center, a 120-bed institute from 1939, to a new institute with 350 beds in Surquillo. At this time we not only initiated programs for cancer treatment but also education, research and prevention. The residency program that was started in 1952 for training cancer specialists was increased. Prevention programs became extremely important in Peru, and with the support of the American Cancer Society, we met every institution representative for cancer in Peru, and created the National Coalition against Cancer, for which I was elected chairman. This was one of the first of its kind in Latin America to be organized with measurable objectives and a budget, and has evolved over the years into *Plan Esperanza*.

Vallejos: *Plan Esperanza* is the creation of multi-sector efforts over decades, through political support, the first of which was given during President Toledo's administration. The first funds for *Plan Esperanza* were provided during Garcia's government, presented before ASCO and ESMO in important and selective international sessions. We have also been concerned about research. Since 2002, we have experienced a positive revolution in terms of what clinical research means in oncology. We have been included as main actors of many of the most important international

groups, like ECO; Peru is the only country in the Americas outside the US with the qualification of principal investigators. We also participate in ESMO and ASCO for clinical research divisions, as well as with large organizations like MD Anderson or NCI. That has placed us as third worldwide in terms of important sites of clinical investigation in cancer among developing countries. This has given Peru a degree of prestige, allowing Pinillos and myself to present this data around the world. We now have clinical researchers in Peru that are better than us and are considered global KOLs.

We have ESMO representation in Peru for Latin America, and we are in charge of associations for clinical oncology of LATAM and Caribbean, for which we are the chair. This is all due to the scientific and investigative work of many, many people over the years, and new generations will continue to improve upon this success.

What are the origins and success of Grupo Auna?

Pinillos: In 1989, Dr. Vallejos and myself started to look not only at one tree but the full jungle in terms of national policies at MINSA. We were frustrated that the private work against cancer had serious limitations due to economic reasons. Insurance companies did not cover cancer as it was considered catastrophic or if covered could only cover the cost of diagnosis back then. Together, we decided to focus on improving this situation. We decided to create a private institution that was funded by a large population paying a small amount, so that the few people who got cancer could be treated with adequate coverage. To organize that we contacted two advisors, involved with private insurance, which helped us create a program for national cancer treatment and control. We became partners and Oncosalud was born. When we started the program, the objective for affiliates was to pay a nominal fee and receive full coverage in case they were diagnosed with cancer, as well as control information for checkups, etc. We started in 1989 with a small group of people to see if our model would be financially successful. It was, so we started selling the program, first in groups and then individually. Now we have almost 750,000 affiliates, with 20,000 people undergoing treatment at any given time, and these people are survivors. With a 67.1 percent survival rate after five years and 66.8 percent after ten years, these figures compare even better than with those of the United States or Europe. Access to all medication and regular follow-up has meant that Oncosalud has succeeded.

Vallejos: Oncosalud was very attractive because nobody understood why it was successful. A very important investment fund contacted us and we developed a joint venture, which lead to the creation of Grupo Auna. With Auna, we were able to improve our results. One of our objectives was to decentralize the system. Auna now offers services in hospital facilities, in Talara, Piura, Trujillo, Chiclayo, Callao, Arequipa, as well as a few other centers, making us one of the most important

private health organizations in Peru and very attractive for our colleagues in Latin America and the US.

Pinillos: We were also requested to take care of other diseases besides cancer. With more capital, we could increase our offering.

Vallejos: Furthermore, we have never forgotten our objectives of education and research. We are probably the most important entity in Peru performing cancer screening in the private sector. Auna is affiliated with the most important medical schools in Peru, continuing to develop research projects as well as many non-profit activities such as MamaMovil, a mobile unit that has performed breast mammograms on over 30,000 Peruvians of low economic profile throughout the country.

Pinillos: About 30 percent of our cases today are diagnosed in early stages as a consequence of continuous education and prevention. Additionally, while Oncosalud's cost is low, we offer even lower -cost options for those who cannot afford it, usually at INEN.

What is your vision for the future of Peruvian healthcare?

Pinillos: We will only get health for all if all are involved. A few years ago, private groups entered into healthcare activities to compete with the government; now there is an understanding for a need to work collaboratively. I feel that education and collaboration will help us win. Ultimately private companies will earn money and the cost for people, the social security or the government will be less than if they provide those services. We are working in a way that educates the minds of all Peruvians, many of whom still believe health should be free, but always someone will have to pay for it.

Vallejos: During our terms as Ministers, we signed agreements with social security. We obtained complementation, in that EsSalud and MINSA hospitals should not be built next to one another. Both should be used by both parties. The government has to work very hard to unify these systems, because Peru cannot solve problems in this division. We must also reinforce what this government is doing in terms of the association between public and private; in this way many things can be solved.

To read more articles and interviews from Peru, and to download the latest free report on the country, click here.

See more interviews