Interview: Ivan Alexi Arota – Country Manager, GE Healthcare Philippines



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Ivan Alexi Arota, country manager of GE Healthcare Philippines, discusses the company's extensive efforts to increase access to their innovative, affordable products throughout the country. He also expands on the important role that partnerships, both with the government and other private companies, play in terms of growing the company as well as developing the healthcare system of the country.

Could you expand on your professional background prior to joining GE Healthcare, as well as your agenda priorities when you stepped into your role as country manager?

I have been working in the medical device industry for 25 years, allowing me to gain experience in many different product categories, such a laboratory product, surgical, imaging.

When I stepped into my current role, my goal was to grow the business overall in the Philippines. I started right at a boom for the industry, with a new administrations coming in right before I began who were putting a lot of emphasis on private public partnerships. We wanted to find a way to be able to participate in these partnerships, especially on the public side, where we have not seen that much activity over the past few decades. This was a big focus for me and the company 5 years ago when I assumed my current position.

Looking now at your current product and service portfolio, GE Healthcare is active in a variety of areas, including molecular imaging, mammography among many others.

Which are currently driving the most growth for the company?

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For GE Healthcare Philippines, the priority is really developing our affordable care portfolio. Last year the ASEAN region was moved into a separated business group, which our CEO John Flannery created, specifically to focus on emerging markets. The ASEAN region, including the Philippines, was grouped together with the Indian Sub-continent as well as the whole of Africa. That new region is called SHS region (sustainable healthcare solutions). The idea behind this is to group together all of the emerging markets in the world, as they have similar challenges, and to create a separate business. This will be a business where we will develop products, using a separate research and development budget, specifically for emerging markets. There are a lot of challenges in these markets that could not be addressed by the current structure that we have. This structure has been in place for nearly 2 years now, making products specifically for the emerging markets, that are not only higher quality, but also more accessible and affordable.

Could you expand on some of the efforts of GE Healthcare to bring affordable, innovative products into the Philippines?

One example of our efforts to bring affordable, innovative products to the Philippines is our VScan Access system. This system is about the same size as an iPad and is basically an ultrasound system designed to screen patients in remote areas. This system is designed to be very durable, operate with low maintenance, and be very intuitive, meaning that users can be trained within a couple of hours. Additionally, you can send reports, to different specialists in a central location. We did a pilot for this program in the north of the Philippines, where we screened hundreds of mothers. The mayor was very pleased to see the beneficial patient outcomes, and he has already acquired the VScan Access for his town. We are looking to use this success to expand the program further. We also have an X-Ray system, XR115, which we are deploying in partnership Ayala Health and FamilyDOC, as they develop their primary care clinics. We work closely with them to not only supply the equipment, but also to help them in terms of their business development. We like to say that we are “co-creating” this project together with Ayala Health, because aside from being able to provide our affordable technology, we would also like to be able to get real insights from the patients and customers that are receiving services through the FamilyDOC chain. This is a real investment in primary care, working to address one of the main gaps in the healthcare system in the Philippines.

Additionally, in 2013 we collaborated with a Korean investor, a private company, to set up a cyclotron in the National Kidney and Transplant Institute. This is a system that produces the isotopes FDGs that are needed for patients to be scanned in a PET C/T for cancer. Before we established this project, there was only one private hospital that provided this service in the country, and the services were very expensive, only accessible by the very rich. These services were even more expensive than other wealthier places in the region, such as Singapore or Hong Kong. This was the reality for the past 10 years. However, by collaborating with this investor, in a government hospital, now the PET C/T services are available at a much more affordable cost. This investment, in the cyclotron faculty, made it possible to provide these services to another 20 hospitals, meaning that now, other interested hospitals now have a reduced investment cost, because they no longer need the cyclotron, they can simply purchase the isotopes from NKTI, reducing their investment by 50 percent. Now we have many private hospitals lined up, looking at acquiring their own PET/CT systems. This is another example of being able to bring down the cost of a certain service for the Filipino population.

What have been some of the challenges that you have encountered in expanding some of the access programs, such as the VScan Access, throughout the country?

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We see these programs developing primarily at the local levels, as the challenge really is regional coverage. It is hard for us to be able to reach every local government official, and this is why we have worked to get a proof of concept in place, and then move that up to the next level, the provincial level. After that, we will share the experience, the learnings, the successes and the challenges, of the program and expand from there. With the positive results we are seeing, we hope that the people in those local regions will see the benefits of getting healthcare very early on. That was one of the biggest challenges we are actually facing, the mindset of people, because they are afraid of going to go see a healthcare professional. This is because of the cost, as that is primarily out of pocket, and also because if they did find out they had a health concern, they feel they would be unable to deal with it. However, if you are able to inform them that healthcare is affordable, and there are benefits to early treatment, more and more people will seek out healthcare services that are more affordable, making the entire system more sustainable.

In the Philippines, per capita investment in healthcare is just over $300 dollars, whereas in Singapore it is more than $4,000. This is obviously a huge disparity, and highlights the need to increase funding for healthcare. How is GE collaborating with the government to work to increase funding for healthcare?

This is actually one of the most critical aspects of the healthcare system in the country. More than half of the healthcare expenditures are currently out of pocket, which is obviously very inefficient. Right now, PhilHealth is looking to expand their membership, and currently nearly 90 percent of Filipinos are members of PhilHealth. However, coverage is still limited. They are looking to expand services, but that is a challenge.

We have approached certain agencies, like the DOH, and shared with them some projects that we have been successful with. For example, in Kenya, GE collaborated with different entities, including the government, to be able to modernize and develop close to 100 hospitals in provincial areas. This was a 7-year project that involved, technology, training, education, financing. We are eager to share these types of successes to help to develop the healthcare system in the Philippines as well.

We see that GE is one of the fastest growing companies in the region, is that true in the Philippines as well, and how important of a role does the country play in GE's regional portfolio?

Absolutely GE is growing here, and the Philippines is very important to the regional portfolio. We have 650 million people living in the ASEAN region, and the Philippines accounts for over 100 million of that. Just a fraction of the country, at the moment, has access to quality healthcare, and that is really our main drive, being able to provide more access and quality care for more of the population.

Currently, GE Healthcare is market leader in the medical device field, how do you plan on maintaining this leadership position?

We are really focused on our affordable value segment. GE traditionally has been more of a premium vendor, where only the premier institutions would be able to afford GE technology. Typically, we would develop a product out of the developed world, for instance the United States or Japan, and try to strip it down and sell it in emerging countries. However, now products are being developed specifically for this region, with the region's needs in mind. Obviously these products will be more affordable, but their quality will be just as good as any GE product. This will be a driver of growth for GE Healthcare in the future.

During your tenure as country manager for GE Healthcare in the Philippines, what have been some of the highlights for you on a personal note?

For me, my highlight has been to work with customers across all spectrums, both premium customers and those that are in the affordable or value segment. Being able to provide solutions

that help people to access healthcare has been a joy. There has been a lot of investment by the company into the Philippines since I have joined, where previously we had just a few people responsible for a wide range of products, now we have 85 percent of our business under designated specialists per product. This allows us to respond much faster to customer needs, as we no longer have to rely on regional experts to come in and provide information. I am proud that we have been able to attract this investment into the Philippines, allowing us to support customers more effectively.

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