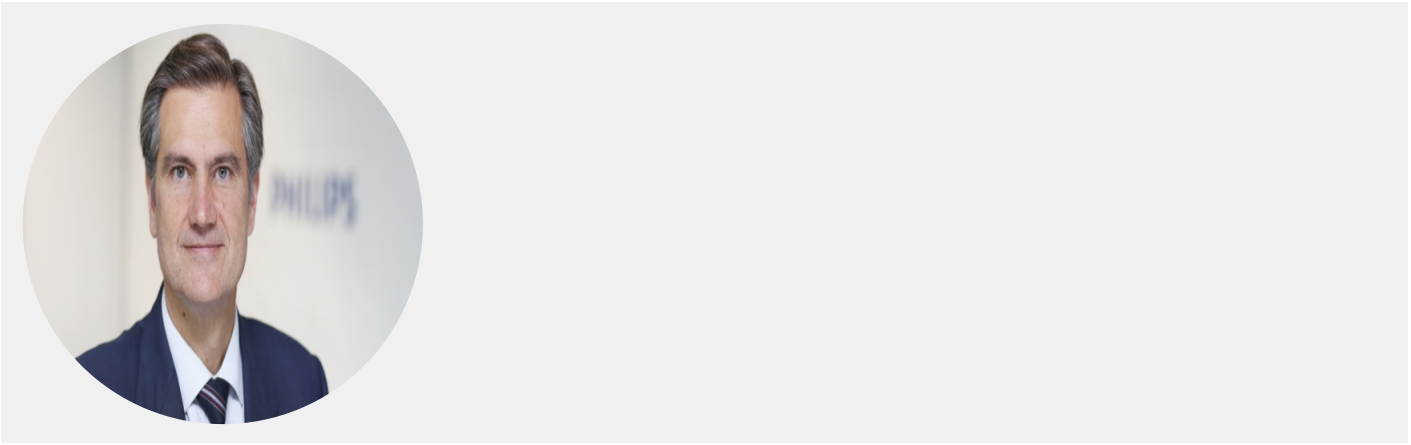
Juan Sanabria Luengo – CEO, Philips Ibérica



24.09.2018

Tags: Spain, Philips, Portugal, Medtech, Big Data, Digitalization

From Big Data to healthcare algorithms to the healthcare continuum. Philips' intention to be recognized by citizens as the company that helps people lead healthier lives covers all aspects of health. In Spain and Portugal, Juan Sanabria's agenda is no different—touching the lives of 3 billion people a year by 2025 means providing health and healthcare solutions to over 50 million people across the peninsula.

Could you please start by introducing yourself to our international readers?

Across my 23 years working at Philips, I have been abroad to a number of countries in Europe and worked in several different businesses spanning from mobile phones in France to working with coffee appliances in Italy, before coming back to Iberia and this position six years ago. In healthcare, I became Director for Professional Health Solutions in the year 2008, which was the origin of Philips being a 'solutions company.' Indeed, Spain was one of the leading countries in driving forward the idea that Philips should become a solutions provider—partnering with customers in the long-term. I became CEO of the Iberian affiliates of Philips in 2012, overseeing all aspects from lighting to consumer products to healthcare, and have spent over a decade trying to get to grips with how best we can assist the healthcare system.

What is the legacy of Phillips in providing health technology to Spain?

Globally, we are trying to improve the lives of 3 billion people a year by 2025. In Spain, we already touch more than 50 million people a year through a product or a service we provide. We have spent 92 years in Spain, and within consumer health, our brand is well known and has a strong reputation. In professional healthcare, we are also a key stakeholder, and we have a historical legacy, which is supported by our claim to be a solutions provider.

What is the strategic importance of Philips Spain?

At Philips, we are organized into 17 different Key Markets, and Spain and Portugal combine to create Iberia. Although not one of the biggest, what distinguishes Iberia is our robust, organized nature, and our consistent and profitable growth levels over a number of years. This is the result of our position in the market and of how we successfully manage important and long-lasting customer relationships.

Phillips pioneers the concept of the liquid hospital and operating a continuum of healthcare. How does this global plan manifest in Spain?

Indeed, we work to improve the national health system, by helping our customers and partners to find new ways of solving their needs. We have very good examples of how we are doing so, like the long-term strategic partnerships and special projects with the Regions of Galicia and Andalusia.

In Galicia for example, we signed an eight-year contract, to provide all the Imaging Technology needed in the 14 hospitals in the region. The agreement includes not only the use of the systems but also maintenance, upgrades, clinical training and education. The work to define our proposal and win the tender was intense, including a lengthy competitive dialogue during many months. The result is very comprehensive solution that addresses all customer needs in the region.

In Granada, and with a similar solution-oriented approach, we have been awarded a contract to completely equip the brand new regional 600-bed hospital. In this case, we not only take care of all the medical technology but also every other element needed in the hospital. We will in fact be providing and handling more than 44.000 elements ranging from high-end technology like MR and CT scanners, to all the necessary furniture. We have also supported this hospital and region in developing the first completely digital pathology lab in Spain—or indeed in Europe. This has been

the start of all the work we are currently doing around computational pathology, focusing on the development of algorithms and artificial intelligence to enable more precise and faster diagnosis in the pathology area.

Our success in this very specific area is now being extended to other partners and we are now working with quironsalud, the largest private healthcare provider in the country, to digitize their pathology departments in their hospitals in Madrid.

Where is the Spanish health system positioned regarding digital disruption and telemedicine?

The level of implementation of information technology in each of the healthcare providers in Spain can overall be considered as high. However, there is still much that can be do in terms of interconnecting in between different parties and participants in the system. The fragmentation of the system does not help, with 17 different regions managing almost entirely, and in an autonomous way, their healthcare budget.

Furthermore, integration of processes between public and private sectors is very limited. The same happens in between social care and health, and primary and specialized care could also be better connected. In summary, we still have some distance to cover, and patients and citizens would widely benefit from higher integration.

As a company, what can you do to surmount these problems?

Our solutions help in inter connecting health to avoid working in silos. The Philips digital pathology solution I have just mentioned is a good example. Our solution can be implemented at Regional or corporate level and help eliminate boundaries. Ideally, you could think of escalating it to the highest level and create one common system and way of working at national level.

What can Philips do to take costs out of the system to promote, for example, risk sharing and ultimately, the sustainability of the healthcare system?

By introducing new technologies, Phillips is already helping the system to be more efficient. We are already contributing to give better outcomes, by reducing costs and improving the experience of

patients and healthcare professionals alike. If we can diagnose earlier and in a more precise way, ‘First time right,’ as we say at Phillips, like we do with our digital PET-CT as opposed to using an analog one, or if we are able to treat in a minimally invasive manner, we are already helping to be more efficient and effective.

That is why we believe it is important to catch up and incorporate the right level of technology. In my view, the country was on a good trajectory until the crisis started in 2010 and although the investment level started to recover after 2013, we have still not reached the pre-crisis levels. Capital public investment remains low and the obsolescence of systems remains high. At the end of 2016, 24 percent of CT scanners were all more than ten years old, 33 percent of image-guided therapy systems were over 10, and 60 percent of x-ray systems—we have much work to do. We need to find ways of collaborating, particularly risk sharing, to ensure we all embrace the ambition of improving infrastructure and equipment.

How does the new government change processes particularly in light of the former government’s focus on austerity measures?

Philips will continue to work with the government presenting ideas and proposals towards a more connected, efficient and effective healthcare system. In addition to working with the national government, we will more specifically work with each and every regional administration (after all they manage most of the healthcare budget in their region). With regional elections coming up next year, we may see more change driven through. Naturally, a national election gives direction and policy, but for technology, regions have more autonomy.

What do you see as the most significant challenges ahead and how will you differentiate yourselves from the competition?

The biggest challenge we have altogether is our aging population. Over 17 percent of the population is over 65, and one in four of these people are over 80 years old. Moreover, 80 percent of the system’s cost is chronic illness. We need to find ways so that technology can alleviate this burden; population health management processes, home monitoring and hospitals at home will help.

Concerning differentiation, we pride ourselves on our unique approach to the healthcare continuum, on addressing challenges across the healthcare system, from healthy living and

prevention, to early diagnosis, precise treatment and care outside the hospital or at home. We are a brand that has built a reputation with both the health professionals and the consumers, so in the hospital and at home. No other actor in healthcare can say the same.

We are innovative both in collaboration and in the level of innovation we bring to the market every year. For the second year in a row, we are number one for patent filing at the European office of patterns; we are dedicated to health and breakthrough innovation in healthcare.

What role does Philips play in customer data, particularly in breaking the fragmentation of the Spanish market?

Data Management will bring all the benefits of working horizontally across the healthcare continuum. That is why our focus is on developing a healthcare platform that will harvest data across the healthcare systems and will make sense out of it, providing the basis for a precision and personalized medicine.

We also develop artificial intelligence within the different solutions that we have. Our solutions can anticipate some of the request healthcare professionals will most likely have based on the analysis of historical and context data. And with that, accelerate and support clinical decision making.

Where will we find Philips Iberia in the next four years?

I would like to see Phillips in Iberia recognized as the Health Tech Company that helps improving our healthcare system by connecting the different silos through excellent data management. On the consumer side, I would be satisfied in seeing Philips as the company recognized by citizens as the company that helps you lead a healthier life. We are working hard and smart in this direction, and we will make it happen.

See more interviews