



**Public Procurement in
long term care and
social support in the
Netherlands**

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actiZ

organisatie van zorgondernemers

ActiZ in brief

- 400 members, mainly private not for profit
- Nursing homes, residential carehomes, homecare for app. 2.000.000 clients
- Advocacy organization
- Employers association (400.000 employees)

CONTEXT | Health Care in the Netherlands is regulated by four different acts

Health Insurance act	Long term care act	Social support act	Youth Care act
<ul style="list-style-type: none">• Medical care• Private insurance	<ul style="list-style-type: none">• Long term care (24 hours a day)• Public insurance	<ul style="list-style-type: none">• Support in continuing to live at home independently and participating in society• Provision by the municipality	<ul style="list-style-type: none">• Dealing with developmental, parenting and psychological problems and disorders• Child protection• Provision by the municipality
Private	Public	Municipality	

Long term care act (2014)

- 32 regional LTC administration offices responsible for organising and purchasing LTC
- Public Procurement for Social Services
- All products are strictly defined and
- Tender is 98% harmonised
- No easy access on LTC market



LCT public procurement experience mainly positive

- LTC administration offices

Instrument for steering on quality, efficiency, integrated care and innovation by means of P&Q

- Careproviders

Legal protection towards monopolist

Transparant conditions, equal treatment

- Low costs
- Stable market (99,9 procent of NHC is contracted, high entry for NHC market)

The Social Support Act (2014)

- 400 municipalities purchase Social Support (or provide it themselves)

No general standards for

products, prices, or accountability

Easy access to markets (household care)



Most local governments started with public procurement

- *A Sabena experience:*
 - high costs (on supply and demand)
 - (De facto) price competition
 - Winner(s) take all: unwanted local effects
 - > Social goals (prevention, organising informal care, enhance social cohesion) demand a cooperation model not a market model

Actual common practise: avoiding pp

- Open house model (dominant)
- Subsidies (reluctant because of state aid risk)
- In house (scarcely)
- SSGI

Two acts, two practices, two appreciations

- PP in social care: *handle with care!*
- Value of PP depends on market conditions
- Social goals ask for a cooperation model, not a competition model
- SSGI light?