CHAPTER 5

DISCUSSION

The main objectives of the management restructuring of Ban Paew community hospital are mentioned as - (i) to improve accessibility and quality of care; (ii) to improve hospital utilization; (iii) to improve equity of health care and (iv) to improve economic situations of the hospital. Since 1987, the newly appointed hospital director has begun to act on issues after issues by initiating series of activities as described in the Figure 4.1. Many of these activities are interrelated or complementary to each other. Although these activities are mentioned here as P/P mix, the hospital has initiated them out of necessity and deriving ideas from the market situations or socio-economic conditions at that time. No pre-determined criteria has been set against any of the activities but in general, has been appreciated in support of one or more of the above mentioned objectives. However, by taking into account of various ongoing activities it can be gathered that Ban Paew hospital is essentially different from other community hospital due to following important characteristics:

- Partial autonomy and greater decentralization of management;
- Strong community participation in support of hospital activities;
- Strong community financing;
- Improved physical conditions of the hospital in both OPD and IPD departments;
- Modern medical equipment e.g. Ultra-sound, X-ray, CT Scan and others;
- Sufficient private paid inpatient beds;
- Non-private practice by staff but work for paid over-time duties in the hospital;
- Opening of after-hours OPD services including Saturdays;
- Opening of satellite OPD outside the hospital location;
- Improvised dental clinic and physical therapy unit in the hospital;
- Specialists' clinic in a community level hospital;

- Improvised referral system to both public and private hospitals in and outside the province;
- Become a primary contractor for Social Security Scheme;
- Contracting out equipment maintenance and hospital food supply to private companies;
- Better marketing of available services;

A few of the activities described above may be seen in other community hospitals in the country but are far less comprehensive than Ban Paew. The most important of all is the non-private practice policy of hospital staff that may not exists in other places. The outputs of these P/P mix activities are interdependent and therefore, can not be firmly attributed to any of the particular event. For example, increased number of OPD patients can be due to after-hours OPD or satellite OPD or better physical conditions in the waiting area or better marketing of SSS scheme or strong community participation. But in practice, it is related to the combined effects of all of above activities, not one or the other. However, it will be very useful to get into the details of some of these activities for better appraisal of the particular activity e.g. after-hours OPD, satellite OPD, non-private practice policy of staff or subcontracting of hospital activities to the private sector.

The resultant outcomes of the P/P mix activities are discussed in the following sections.

5.1 Accessibility and Quality of Care

Accessibility to the hospital services have been greatly improved by after-hours OPD, satellite OPD in Ban Paew Two, specialists' consultation, better marketing of services. It is however difficult to quantify these measures with the available data but can be indirectly supported by the hospital utilization and cost recovery data. Quality of care has been positively affected by less waiting time in OPD, better physical conditions in the hospital, availability of specialists, better diagnostic services, better referral system and non-private practice policy of staff. While it is not specifically investigated in the study, this can be verified by comparing available data and information from the Krathum Baen hospital. However, to make full assessment of the quality of care further study should be carried out by conducting direct interviews of the patients and people of the community (on-going survey in the hospital, Supakankunti S., unpublished data). In-depth analysis of vital health indicators (e.g.

infant mortality, maternal mortality, age or disease specific death rates) can be used for the assessment of the quality of care in the long run.

5.2 Hospital Utilization

Section 4.2 discusses the effects of P/P mix on the hospital utilization. Both OPD and IPD services have shown remarkable improvement during the study period of nine years. These utilization criteria are related to several of the P/P mix activities. In fact it is the main outcome of all the activities as well as direct or indirect indicator of other outcomes. For example, higher OPD attendance is a indirect measure of population coverage vis-à-vis equity of health care. There have been increase of both IPD and OPD patients by 500% and 417% respectively in the nine years study period. These growth has been consistent with some slow down effects in 1991 both OPD and IPD, apparently due to staff adjustment and difficulty in maintaining the level of high standard of services. IPD statistics further has slowed down in 1994 because of over-saturation of bed occupancy at 185%. This situation quickly reversed as the bed capacity expanded from 60 to 90 in the following year. The increased utilization of hospital services are in sharp contrast with the population growth 12.4% during the nine years of study period. Migration of some industry of workers, most of them covered by the SSS scheme, do not present as the significant clients in the hospital. Or in another words, the local population are main reason for the increased utilization of services.

When hospital utilization data of Ban Paew are compared with that of Krathum Baen hospital in the same province for the same period, Ban Paew statistics look far better. It appears that Krathum Baen has taken no serious initiative to improve the functions of the hospital but maintained usual MOPH regulations for the provision of services as well as collection of revenues. This comparison is also supportive of the statistical findings that the Ban Paew hospital is better utilized due to the initiation of P/P mix activities.

Increased hospital utilization can be due to some external factors unrelated to the P/P mix e.g. general improvement of socio-economic conditions of the community, improved road conditions, improved health awareness or expansion of the catchment areas into the neighboring district with less attractive health care. Those factors are not studied here due to resource and time constrains.

5.3 Equity and Efficiency of Health Care

The question of equity is briefly discussed in the Section 4.3. It shows that population coverage in IPD has been expanded from 1.95% in 1987 to 10.38% in 1995 while the OPD has expanded from 11.63% in 1987 to 53.54% in 1995. It must be noted with caution that 53.54% of population visiting OPD could be indication of over-utilization of services and should be investigated further. Free health care is available here like other public hospitals but with better access and quality in Ban Paew hospital. All patients are entitled to get emergency care in the hospital irrespective of whether they are able to pay or not - a policy that should not push away low-income people from the hospital.

Even when patients are obliged to pay, the cost of care in Ban Paew is reasonably cheaper due to three factors - (i) large number of patients reduces per capita capital costs; (ii) a good sum of money to be transferred from the government and the community and (iii) non-profit policy of the hospital. Therefore, the unit cost e.g. per OPD visit or per IPD day should be less than the private hospitals of similar standard. These factors should provide incentives to all kind of patients to attend the hospital and strengthen the public sector commitment for equitable health care in the district.

Economic efficiency of non-private practice policy of Ban Paew staff should be one of the key factor for the achievements in the hospital. Because of this policy staff are not required to find a source of supplementary income elsewhere. They are rather happy to earn salaries and benefits that is comparable to the private hospital. Furthermore, because of the policy, staff are paying extra attention to the improvement of quality of services and future development of the hospital. This is in sharp contrast with the vast majority of public hospitals. If this policy is found successful, wider application of the policy may help to slow down or even reverse the potentially damaging 'brain drain' from the public sector. Therefore, non-practice policy should be an important subject for in-depth analysis in a future study.

It is a fact that 76% of the health care financing nationwide is spent in the private sector including household expenditure. But the public sector hospitals continue to suffer from financial resources. If some of the household expenditure can be drawn into the public sector as it is in the case of Ban Paew hospital, then the resources can be more efficiently utilized to strengthen its services especially for those

concerned with the equity of care and public goods. While there is a need for the development of private hospitals, they are bound to fail in the efficient allocation of resource as that of the public hospitals as described above further justifying the needs for the P/P mix.

5.4 Economic Evaluation

In the Section 4.4, attempts have been made to provide an economic analysis of the hospital. Accounting cost has been used to analyze income and expenditure. In absence of full economic cost, hospital expenditure has been used as a dummy cost. Emphasis has been placed on the operational cost, its important components and finally cost-recovery from the patient services. The prospect of sustainable financing has been briefly discussed especially in relation to the service charges from the patients. It shows that cost-recovery from the patient services have accounted for 37%, 47%, 46%, 47% and 56% in the years of 1991, 1992, 1993, 1994 and 1995 respectively. This is an impressive performance especially that of the 56% in 1995. Annual growth rates of the revenue from the patient services are 69%, 11%, 47% and 60% in the years 1992, 1993, 1994 and 1995 respectively. This is a strong indication of effects of the private components of the Ban Paew hospital.

The transferred contribution from the government has steadily decreased from 54% in 1991 to 40% in 1995 of the total share of the hospital income. Although its annual growth rate is still far above the limits of the national GDP. Community financing provides a small but useful portion of the income for the hospital functions. Overall, it looks quite positive that hospital should be able to maintain current level of income and expenditure in the short-run. But it may difficult to maintain the high growth rate (average 30%) of hospital income for long time. A well designed strategic planning will be necessary to come up with sustainable financing. Some modifications are necessary in the hospital accounting system that would provide sufficient information for present and future planning.

5.5 Comparison with Other Community Hospitals:

Situations of Ban Paew hospital have been only partially compared with that of Krathum Baen hospital i.e. its hospital utilization criteria. Others criteria such as accessibility/quality of care and economic conditions are not compared due to unavailability of

necessary data from Krathum Baen. Ideally, all these criteria should have been compared for complete analysis. Moreover, for better results it is will be useful to compare Ban Paew with more community hospitals in the region or other parts of the country.

Another way to compare Ban Paew hospital will be to select some of the controlled factors in Ban Paew and apply these to another community. Thereafter, develop a close monitoring mechanism to measure the outcomes of activities in both hospitals.

5.6 Potential Application of Ban Paew Experience

Socio-economic conditions of Ban Paew may be unique in many sense and for that reason questions have been raised if its experiences could be useful elsewhere in the country. In fact, situation of Ban Paew is quite similar to many central Thailand districts and even if differences exist they are minor that should be adaptable with the local situations. Therefore, it is quite possible that some of the activities of the P/P mix can be replicated in other community hospitals in the country without any problem. Some projects are already developed in other places in the country with varied success but more importantly, these will provide ground for study the long term effects of the P/P mix similar to Ban Paew.

The most crucial issue of Ban Paew experience is the direct influence of strong leadership qualities of the present hospital director. For over nine years he has been consistently working on the innovative activities in the district. His tireless efforts and personality must have played a very significant role in all of the activities in the hospital. As a result some genuine questions are raised if the activities of Ban Paew will be sustainable without the leadership of the present director. This is a very difficult question because implementation of activities are dependent on the clear picture of the whole system. First of all it is necessary to document all activities in order with proper resource allocation and defined outcome. Following this management training will be necessary for the people who have similar motivation to carry on the job. Even then constant monitoring and evaluation will be necessary to fine tune the activities and the eventual outcome of the system.