CHAPTER 1

INTRODUCTION

1.1 Background and Rationale

During the economic crisis in Thailand in 1997, there was an attempt to utilize the existing resources of the Ministry of Public Health for the utmost advantages. Therefore, the Ministry of Public Health cooperated with European Union to change the crisis into opportunity by conducting research and development both in policy and local levels. As the result, the ministry launched the pilot project on "Health Care Reform Project of Thailand". The Health Care Reform Office who was responsible for this project selected five provinces to participate. Those provinces were Khon Kaen, Yasothon, Phayao, Pha Nakhon Si Ayutthaya, and Songkhla. The project involved three major activities: Health Care Delivery System Reform, Health Care Financing Reform, and Client Empowerment. The research conducted in a experimental area was an action research. The ministry of Public Health did not determine the framework details (Ponpisutit Jongudonduk, 1997), but it depended on the specific situation of each area. The results of each successful project were expected to be pieces of jigsaw puzzle; when being put together they would make a big picture.

Regarding the Health Care Reform Project in Khon Kaen, there were 5 districts and 1 sub-district participating in the project: Muang, Nam Phong, Ubonratana, Pon, Puweing, and Nong Na Kam sub-district. The project consisted of 3 activities according to the guideline of The Health Care Reform Office, Ministry of Public Health.

Health Care Financing Reform of Khon Kaen (Jongdee Piromchai, 1998) conducted qualitative analysis and evaluated the needs for health financing reform in Khon Kaen. The questionnaires were provided to the leading group of Khon Kaen Health Care Reform Project in 1998, by applying Delphi Technique. The questions were about motivation to participate in the project, financing problems, solutions, and new fund allocation method. The study revealed that

1. Motivation for Participating in the Project of Health Care Financing Reform

Having the opportunity to participate in the Health Care Financing Reform generated the development of work, man, and system in Health Service. The former fund allocation was not fair and affected the development of health service quality.

2. Main Problems Leading to Health Care Financing Reform are

1.) In the former fund allocation system, the payment did not match workload. In other words, diligent and responsible personnel earned not different income from those less diligent and responsible. Consequently, the diligent and responsible personnel lacked motivation to work

2.) The former allocation system paid more attention to treatment than to health promotion and prevention. It could be seen that there was a very little budget allocated for health promotion and prevention. People, then, did not put the importance on health promotion and prevention. When they got weak, they went to hospital, which was not the appropriate solution.

3.) There was inequity in all levels of Health Care System in personnel, equipment, and technology. They care system was not of efficiency; therefore, the clients had no trust and skipped to obtain services from the more efficient Health Care System such as private clinic.

4.) The former data system of fund was difficult to inspect and unreliable. Hence, it was out of direction.

5.) Formerly, the development of health service was obstructed by budget and manpower. It was believed that if there were a reform in every aspect especially the financing system, the fund allocation would be developed effectively and equally. Moreover, there would be motivation to develop in both Health Care System and personnel. Eventually, health service would become more efficient and qualified.

3. Solution

Health care financing system must be reformed. The new model must respond the concepts of quality, efficiency, and equity by developing new management and fund allocation model to generate an efficient health service management through.

3.1 Merging Fund to eliminate duplication: The effective merging and allocating will reduce service provider's bias in providing service to clients. I will also create equity.

3.2 An efficient allocation will create efficient management and equity. That is to say when allocation can eliminate duplication, there will be many developments. For instance, a Health Care System that is responsible for clients and provides more services should get higher budget. In other words, the allocation should depend on work not on the size of Health Care System. Besides, allocation to personnel should be done both in aggregated payment and fee for service payment in order to crated motivation to improve service behavior, referral system, and personnel's responsibility. Moreover, it can promote the essential activities that have been ignored such as health promotion and prevention.

Consequently, health care financing reform is based on the two main points mentioned above. The detail depends on each Health Care System, which is not necessary to be the same but based on the same concept. The budgets used are Low-income Fund and Health Card Fund. In district level, it is agreed that the same principle should be adopted; that is Community Hospital is Main Contractor responsible for allocation to Health Center (Sub Contractor) and to referral hospital (Supra Contractor). Moreover, health services in the district level must consist of health promotion, prevention, and data system development in an appropriate quantity, by conducting development and research projects. When those projects are successful, the unit cost in health system in two topics will be reduced. 1) Health Care System in the community provides efficient services and gains clients' trust. This is an efficient means to distribute Health Care System thoroughly, reduce clients' travelling cost, save time, and save the investment to build a big hospital. 2) People are healthy in terms of physical, mental, emotional, and social. Therefore, they will not need medicines or need in a small quantity, which will reduce expenses.

The Health Card Fund Allocation Project for District Health Centers, Case Study in Nam Phong District was one of pilot projects and financing development in Khon Kaen Health Care Financing Reform. The project was launched in financial year 1998, by the Nam Phong District Health Cooperative Committee to find out the proper strategies in financing administration. The fundamental belief was that allocation by workload was a good management system and could bring the higher volume of desirable work quantity. In the past, fund allocation in this division was operated according to the quantity of OPD case treatment services to clients at Health Center, and only to Health Center. However instead of only treatment, the new fund allocation paid attention to health promotion, prevention, and treatment altogether. Apart from fund allocation to Health Center considered by its workload and coverage, the allocation would be made individually to Health Center personnel for incentive motivation. Two purposes of this project were 1) to develop management and fund allocation model to form an effective financing system and health care delivery system, which would respond the concepts of fairness, service quality, and accountability and 2) to support Primary Care Service. This was done by arranging a conference of tambon health personnel to find out the problems and solutions. Then, the personnel determined criteria of fund allocation and point system of health activities. Health centers were required to hand in their operation report in the fixed time to the Data Collection Team who would collect and verify the data. Eventually, the data were taken into consideration of fund allocation. The Namphong District Health Cooperative Committee controlled and directed the project by appointing the Data Collection Team to collect data, verify data, and calculate the numeric data in fund allocation, together with evaluated the project and followed up with the progress of the monthly conference of the committee.

Khon Kaen Health Care Reform Project Office (Wichai Asawapak, Jongdee Piromchai; 1998) analyzed the situation at the beginning of the project about context of the Development of Health Card Fund Allocation Project for Health Centers in Nam Phong District by conducting SWOT Analysis. It was found that the strengths were the determination, devotion, and leadership of the leader, strength of the committee, and the responsibility of the team. Besides, they all had the same focus in development; that was to solve the problems in the area and give personnel the opportunity to take part in financial management. Namphong Hospital was financially supported by private sectors, such as European Union and foundations,

as well as government through Health Card Fund. The weakness was that the Health Card Fund allocation was very slow both in province level and district level. Moreover, personnel might regard incentive as a small amount of money. The opportunity was that the new fund allocation model would encourage health promotion and prevention activities. One who worked harder would receive high incentives and had no need to do a part time job at private clinic. The threat was that the former fund allocation did not motivate personnel to work. There were limitations of budget so Health Insurance Fund and private funds were used to keep the operation going on. If the Health Care Financing Reform Project were successful, government's budget regulation would be proposed to change. Concerning Health Card Fund and Low-income Fund, their merging was only done numerically. The actual merging fund between both of them did not occur yet. The emphasis on workload should also consider work quality; therefore, supervision and following up were necessary.

Khon Kaen Health Care Reform Project Office (Jongdee PiromChai, 1999) followed up and evaluated the opinions of 39 Health Center personnel from 16 Health Centers toward Health Card Fund Allocation in Namphong District in 1998, by questionnaire asking about context, input, process, and product. It was found that the level of their opinion toward the Health Card Allocation with the total score of 120 points, the average score was 86.79 point or 72.33 percents were strongly agree. The question that staff scored highest was the agreement of utilization of organization data for fund allocation. The next four questions that had respective highest scores were the concept of budget allocation based on the workload motivated the staff to use their ability and sacrifice their time for successful work. They agreed that more work for more payment was a fair system, and this method did not cause severe conflicts. The five questions that possessed lowest scores were the period for budget allocation, fee for service would lead to severe conflict, properness of the weights (point system) given to each type of services, the satisfaction toward the budget allocation committee, and the allocation accountability. The impact of the project was that report audit made the report more reliable. The Namphong District Health Cooperative Committee already allocated Health Card Fund of the financial year 1998 in June 1999. At this time, it is on the process of Health Card Fund Allocation of the financial year 1999. Although the evaluation revealed that the respondents

agreed with the project, the operational process of the project has not been evaluated in details. The researcher who is a member of the Provincial Project Evaluation Committee felt that it was necessary to conduct the process evaluation of this project in detail to see if the operation was effective. The evaluation could be made with management and operation in three dimensions: planning to create organization efficiency, management controlling to create organization efficiency, and policy awareness and understanding, in the four activities: 1) Model and Criteria of Fund Allocation to Health Service System, 2) Medical Record Audit and Health Service Review, 3) Health Card Information Management System, and 4) Development of Network and Quality of Primary Care Service. It also aimed to study the strengths and weaknesses as well as obstacles or problems in order to find prompt solutions. The results of project evaluation would lead to the decisions of administrators about improving elements or structures of the project especially activities in every aspect while the project was ongoing. This would eventually lead to success.

1.2 Research Questions

1.2.1 How does the Project of the Evaluation of the Health Card Fund Allocation Project for Health Centers: Case Study in Namphong District, Khon Kaen employ the three dimensions of management and operation: planning to create organization efficiency, management controlling to create organization efficiency, and policy awareness and understanding in the four following activities:

1. Model and Criteria of Fund Allocation to Health Care System
2. Medical Record Audit and Health Service Review
3. Health Card Information System
4. Development of Network and Quality of Primary Care Service

1.2.2 Are there any problems or barriers in the operation?

1.2.3 What are the factors involved in operation improvements?

1.3 Objectives of the Study

General Objective

To identify and inform the Namphong District Health Cooperative Committee the strengths and weaknesses in the operational process in order to consider whether to continue or improve activities.

Specific Objective

To evaluate the 3 dimensions in management and operation including planning to create organization efficiency, management controlling to create organization efficiency, and policy awareness and understanding in the four following activities:

(1) Model and Criteria of Fund Allocation to Health Care System

(2) Medical Record Audit and Health Service Review

(3) Health Card Information System

(4) Development of Network and Quality of Primary Care Service

1.4 Scopes of the Study

The population of this study included three groups of officers involving in either management or operation of the Health Card Fund Allocation Project. The three groups mentioned are director, coordinator, and area staff. The duration of data collection covered 2 months between April and May 2000.

1.5 Expected Outcomes

The results of the process evaluation would be useful to Namphong District Health Cooperative Committee because they would enable the committee to find out the current situation and ways to improve the project. Moreover, the results would be used as the data essential for making decisions about project performance and activities in the year 2000.

Besides, the Provincial Health Office could utilize this data in planning its activities as well as considering the possibilities for expanding the project to other districts in Khon Kaen.

1.6 Definitions of Terms

1.6.1 Health Card refers to the card issued by the Ministry of Public Health to guarantee that the card owner is privileged to receive efficient and standard medical service and Primary Care Service. People who do not have health insurance can buy this card at the price of 500 Baht/family. The government will also support 500 Baht/card during 1995-1998 and 1,000 Baht/card in 1999.

1.6.2 Health Card Fund is a fund established from health card sale and government-supported budget. In Khon Kaen, this fund is administrated by a committee in which the Provincial Public Health Doctor is the chairperson, directors of all central and Community Hospitals and department managers of Provincial and District Public Health centers are members, and the manager of Health Insurance Department is the secretary. This fund is allocated to district Health Care System including Community Hospital, District Health Office, and Health Center through Community Hospital's Health Card Fund account. Fund allocation to district health facilities depends on the agreement of the District Health Cooperative Committee.

1.6.3 District Health Cooperative Committee is a committee appointed by Provincial Public Health Doctor. The director of Community Hospital or District Health Office is the committee chairperson. Representatives from Community Hospital and district public health office are committee members responsible for health services in the responsible areas.

1.6.4 Good model and criteria of payment for Health Care System refers to the appropriate model and criteria that serve the objectives of the project. The members of the organization are also able to take part in decision making.

1.6.5 Medical record audit and health service review refers to the system that audit data in the district to check the reliability and correctness of the medical records and to check the suitability of health service in correlation with payment system.

1.6.6 The effective information system management involves the development of an information system and information audit system. The necessary databases consist of the health

card holder registration, right-overlap audit, and service provision for budget allocation within the network (health promotion, prevention, and cure). These data are useful and suitable to the routine work. Moreover, their preparation does not give the staff more work.

1.6.7 Development of network and quality of Primary Care Services is to develop the services of Health Centers by developing knowledge and capability of the staff, to emphasize on health promotion, prevention, cure, and rehabilitation. In order to assure people to trust in Primary Care Service, it is necessary to have continuous developments of audit system and health service.

1.7 Conceptual Framework

From reviewing related literature, the research designed the conceptual framework (shown in Fig.1). The Evaluation of the Health Card Fund Allocation Project for Health Centers: Case Study in Namphong District, Khon Kaen aimed at evaluating only three dimensions of management and operation: planning to create organization efficiency, management controlling to Create Organization efficiency, and policy awareness and understanding in the following activities:

1. Model and Criteria of Fund Allocation to Health Care System
2. Medical Record Audit and Health Service Review
3. Health Card Information System
4. Development of Network and Quality of Primary Care Service

Figure 1 Conceptual Framework