Public Hospital Governance in Asia-Pacific

Sri Lanka Case Study

Comparative Country Case Study Group Meeting
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Case Study Team

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- Ruwani Wickramasinghe – Research Officer
Country profile

- Democracy
- Population: 20.3 M (2012 census)
- Lower-middle income (WB)
- GDP at current market prices (2012 US$ billion): 59.4
- GDP per capita (2012 current US$): 2,923
- HDI: 0.715 (high human development)
- Female literacy (2010): 90%
Country profile – health indicators

<table>
<thead>
<tr>
<th>Health Indicator</th>
<th>1960</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infant mortality (per 1000 live births)</td>
<td>57.0</td>
<td>8.5</td>
</tr>
<tr>
<td>Neo-natal mortality (per 1000 live births)</td>
<td>34.2</td>
<td>5.9</td>
</tr>
<tr>
<td>Maternal mortality (per 100,000 live births)</td>
<td>302</td>
<td>14</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>1963</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life expectancy at birth female (years)</td>
<td>61.4</td>
<td>76.4</td>
</tr>
<tr>
<td>Life expectancy at birth male (years)</td>
<td>61.9</td>
<td>71.7</td>
</tr>
<tr>
<td>Total fertility rate (per woman)</td>
<td></td>
<td>2.3</td>
</tr>
</tbody>
</table>

*Source: Sri Lanka Annual Health Bulletin*
Country profile – health services

- Total expenditure on health as % of GDP (2011): 3.4%
- Public/private expenditure on health as % of total expenditure on health (2011)
  - Public 45%
  - Private 55%
- Inpatient care
  - Public sector – 95% of inpatient care
  - Expenditure – 76% of total expenditure for inpatient care
- Per capita expenditure on health (2011): US$ 97
Public Hospitals – Organization (1)

Central MoH

Minister

Secretary

DG Health Services

DDG medical services

DDG preventive services

DDG lab services

Hospital Director

Provincial MoH

Provincial Minister

Secretary

Provincial Director health services

Regional Director health services

Hospital Director
Public Hospitals – Organization (2)

- Extensive network
  - Within 5 km of person’s residence

<table>
<thead>
<tr>
<th>Type of hospital</th>
<th>Level of care</th>
<th>Direct supervision</th>
<th>Number of hospitals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teaching/Provincial</td>
<td>Tertiary</td>
<td>Central MoH</td>
<td>24</td>
</tr>
<tr>
<td>District general</td>
<td>Secondary</td>
<td>Central and Provincial MoH</td>
<td>18</td>
</tr>
<tr>
<td>Base (Type A, B)</td>
<td>Secondary</td>
<td>Mostly Provincial MoH</td>
<td>78</td>
</tr>
<tr>
<td>Divisional (Type A, B, C)</td>
<td>Primary</td>
<td>Provincial MoH</td>
<td>493</td>
</tr>
<tr>
<td>Primary care units</td>
<td>Primary</td>
<td>Provincial MoH</td>
<td>474</td>
</tr>
<tr>
<td>Special hospitals</td>
<td></td>
<td>Central MoH</td>
<td>5</td>
</tr>
<tr>
<td>Board managed</td>
<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>1094</strong></td>
</tr>
</tbody>
</table>
Bed capacity, inpatients treated, and outpatient attendance at Teaching/Provincial, District General, and Base Hospitals (% of total)
Objectives

1. Identify major reforms that had an impact on the governance of public health facilities

1. Describe public hospital performance (tertiary and secondary)

1. Describe hospital governance

2. Identify and understand the underlying reasons for the observed level of performance
Methods (1)

• Literature review
  – Gvt commissioned reports
  – National policies, health plans
  – Gvt circulars
  – Others – peer-reviewed and non peer-reviewed publications, reports (IHP reports and others)
  – Publications from Medical Statistics Unit, Sri Lanka
Methods (2)

• Existing databases (Institute for Health Policy)
  – Sri Lanka National Health Accounts
  – Public Hospital Inpatient Discharge Survey 2005
  – Private Hospital Survey
  – World Bank Quality of Care Study
Methods (3)

- Focus group discussions
  - Hospital Directors (MoH)

- In-depth interviews at different levels of administration
  - Hospital Directors (MoH and Provincial MoH)
  - Regional Directors
  - Retired administrators (former secretary, DGHS, hospital administrators)
Reforms
Reforms on public hospitals

- Cumpston 1950, Hance 1956
  - Decentralisation
  - Standardization of hospitals

- 1987 Devolution of power to Provinces
  - Establishment of Provincial Ministries of Health

- 1993 Establishment of College of medical administrators

- 1997 Presidential task force
  - Upgrade hospital to district general hospital
Hospital Performance
Length of Stay

Average length of stay for National Hospital, Colombo, Teaching Hospitals, Provincial Hospitals, Base Hospitals, OECD average, USA, UK, Norway, and Australia from 1988 to 2008.
Bed occupancy

National Hospital, Colombo
Teaching Hospitals
Provincial Hospitals
Base Hospitals
Total
OECD average
Comparison of quality of care in teaching and base hospitals in Colombo in 2005 and 2011

Cost efficiency (1)

Source: Rannan-Eliya (2008)
Cost efficiency (2)

Comparison of relative unit costs of inpatient medical care in Sri Lanka with OECD nations and Malaysia
Hospital Governance
### Governance (1)

<table>
<thead>
<tr>
<th>Function</th>
<th>Hospital Director</th>
<th>Provincial MoH</th>
<th>MoH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff recruitment</td>
<td>No authority</td>
<td>All staff except medical officers</td>
<td>Full authority</td>
</tr>
<tr>
<td>Staff allocation to hospitals</td>
<td>No authority</td>
<td>To hospitals under Provincial MoH</td>
<td>Full authority</td>
</tr>
<tr>
<td>Staff deployment within hospital</td>
<td>All staff except designated staff</td>
<td>Can give staff designations except to medical officers</td>
<td>Identified categories of nursing staff and designated medical officers</td>
</tr>
<tr>
<td>Staff increments</td>
<td>Authority to approve</td>
<td>All staff except medical officers</td>
<td>Full authority</td>
</tr>
<tr>
<td>Promotion</td>
<td>No authority</td>
<td>All staff except medical officers</td>
<td>Full authority</td>
</tr>
<tr>
<td>In-service training</td>
<td>Full authority</td>
<td>Full authority</td>
<td>Full authority</td>
</tr>
</tbody>
</table>
## Governance (2)

<table>
<thead>
<tr>
<th>Function</th>
<th>Hospital Director</th>
<th>Provincial MoH</th>
<th>MoH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disciplinary action</td>
<td>Informal inquiry</td>
<td>Formal inquiry except medical officers</td>
<td>Full authority – formal investigation</td>
</tr>
<tr>
<td>Hospital budget setting</td>
<td>No authority</td>
<td>Full authority</td>
<td>Full authority</td>
</tr>
<tr>
<td>Hospital budget spending</td>
<td>Full authority</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Raise revenue</td>
<td>No authority</td>
<td>Full authority</td>
<td>Full authority</td>
</tr>
<tr>
<td>Receive monetary donations</td>
<td>Set up hospital foundation to retain donations</td>
<td>Full authority</td>
<td>Full authority</td>
</tr>
<tr>
<td>Expand range of services offered</td>
<td>No authority</td>
<td>Full authority</td>
<td>Full authority</td>
</tr>
<tr>
<td>Function</td>
<td>Hospital Director</td>
<td>Provincial MoH</td>
<td>MoH</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>---------------------------------------</td>
<td>-----------------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>Implement programmes to improve quality of patient care</td>
<td>Full authority</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Maintenance of infrastructure</td>
<td>Full authority within allocated budget</td>
<td>Full authority</td>
<td>Full authority</td>
</tr>
<tr>
<td>Construction of new buildings</td>
<td>No authority</td>
<td>Full authority</td>
<td>Full authority</td>
</tr>
<tr>
<td>Procurement of drugs</td>
<td>No authority</td>
<td>No authority</td>
<td>Bulk purchase</td>
</tr>
<tr>
<td>Drug allocation to hospital</td>
<td>N/A</td>
<td>Full authority to allocate to hospitals under Provincial MoH</td>
<td>Full authority to allocate to hospitals under MoH</td>
</tr>
<tr>
<td>Local purchase of drugs</td>
<td>Within allocated budget</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Interview findings (1)

• Continuous performance review in line with national health goals
  – Quarterly: indoor morbidity and mortality
  – Monthly: hospital management committee meetings
  – Bimonthly:
    • Meeting of all hospital directors under MoH
    • National Health Development Committee meeting
  – Reviews are considered as encouragement as opposed to being ‘punitive scrutiny’
Interview findings (2)

• ‘Collaborative hierarchy’
  – Small network of individuals that begin ties at medical school
  – Knowledge transfer
  – Clear career path – largely based on seniority
  – Positions are largely unthreatened

• Challenging work environment
  – Successes are rewarding
  – Sense of pride and achievement
Interview findings (3)

• Doctors as administrators
  – ‘Technocratic’ administration
  – The majority of positions in the central and provincial department of health services to hospital directors
  – Respect among politicians
    • Less politicization
  – Ease of communication with superiors: “they get it”
  – Reinforced with hierarchy
Interview findings (3 contd.)

• Doctors as administrators
  – Previous experience with non-medical administrators was unsuccessful (1980s)
  – Comprehensive process for qualification
    • MBBS degree
    • Post-graduate qualification (2007 only medical administration or community medicine)
    • 8 years experience in public health service
Interview findings (4)

• Formal training in medical administration
  – 1993: College of Medical Administrators
  – Post-graduate Institute of Medicine offered MSc and MD in Medical Administration
  – At present 60% had a post-grad qualification in medical administration
  – Opinion: very helpful to perform better as hospital director
  – Upgraded the status of director among the consultants
Interview findings (5)

• Service to public (individual motivators)
  – Sense of obligation and responsibility to provide good healthcare to the public
    • Public sector utilization is predominantly by the poorer segments of the population
  – Sense of pride and achievement with good performance
  – Sense of ownership of hospital
Interview findings (6)

• Process of socialisation
  – Medical school to seniors in public administration motivate and stir a sense of obligation to serve the public
  – Sense or ownership of the healthcare system and gains
  – Continued involvement of retired administrators
    • Expert advice
    • Teaching

• Devolution of power to provinces
  – More flexibility to implement changes without approval from MoH
    • Setting up of preliminary care units
    • 5S program
Conclusions (1)

- No major reforms since the 1950s
- Favourable outcomes at low cost
- Flexibility provided through devolution of power to provinces
- Political support – equity, access, efficiency, outcomes
- Guided by national policies, plans, and goals
  - Organization and delivery of services continuously assessed by gvt
Conclusions (2)

• Sense of ownership of the healthcare system

• Hospital directors have limited authority in budget, staff recruitment and discipline, drug purchasing

• However, within given resources hospital administrators have flexibility to take action to improve efficiency, and quality of services delivered

• Several instances where individual initiatives have been adopted system-wide
  – Such results can be strong individual motivators
THANK YOU