

Reform of hospital services

The overall aim of hospital reform initiatives is to create changes that ensure hospitals provide affordable, accessible, efficient, appropriate and good quality health services. This may include introducing new health policies and legislation as a legal framework for good hospital services, improving equitable access for all, and strengthening management for higher quality and efficiency.

Health Partners International (HPI) and its senior consultants have been involved in a range of hospital reform initiatives in Africa, including South Africa, Namibia, Zambia, Malawi, and Tanzania. They have also contributed to reform initiatives in other regions of the world.

Since the early 1990s there has been varying interest in reforming the management of public sector hospitals in Africa. Thousands of government hospitals were taking up a considerable portion of their country's health budget, but most were delivering poor and ineffective services. With this realisation, a number of 'hospital reform' initiatives were launched, introducing changes in the way that hospitals were organised, managed and financed. In some countries these reforms have achieved significant success; in others the results have been more mixed.

A key lesson from this experience has been that substantive hospital reform depends on high-level political commitment and a strategic process of implementation. Hospital reforms are invariably complex so they must be thought through very well, as the process can affect vested interests and sensitive political issues. Reform initiatives in Namibia and South Africa that were well planned and had a high level of support led to major improvements in the use of health resources and delivery of care. A small and modest reform initiative in Upper West Region, Ghana achieved important increases in coverage, standards of care and efficiency in just two years. Namibia invested millions of dollars in restructuring and rehabilitating many of its hospitals, but this achieved even greater savings in staff costs – far more than the original investment.

In some other countries, however, problems arose where the main push for reform came from external agencies, or was insufficiently supported by political leadership, or was not designed appropriately for local needs and conditions. A common error has been to under-estimate the time and resources required for reforms. In one African country for instance, equivocal support and the inability of the Ministry of Health to find just a small number of staff to manage its hospital reform initiative derailed the whole process.

The need for hospital reform has not diminished over time; in fact, it has grown even greater. There are literally thousands of hospitals across Africa employing tens of thousands of health staff and consuming much of the health budget of many nations – but sadly contributing little to the health of their people. Closing down hospitals or cutting back their staff is seldom politically feasible – but governments and their donor partners still persist in ignoring the problem. Yet with political and stakeholder commitment plus appropriate approaches to reform, there is the potential for big improvements, not only in hospital services but in the overall performance of the health system.

Support by Health Partners International to hospital reform

HPI supports public and private health service providers to reform hospital services in a number of ways, including:

- Developing health policies and legislation
- Introducing hospital assessment systems and systems strengthening initiatives
- Introducing modern hospital management practices
- Introducing commercial accounting systems to improve financial management
- Strengthening human resource planning and administration
- Designing and implementing management information systems
- Introducing regular review, analysis and improved monitoring of patient care
- Improving management of hospital equipment, including procurement and maintenance systems
- Developing effective referral systems
- Supporting the design and introduction of sustainable funding mechanisms
- Decentralising management within hospitals to cost centres
- Introducing independent external financial and performance audits
- Strengthening pharmaceutical management
- Working with communities and service providers to identify and address financial and other barriers to accessing care
- Developing and strengthening mechanisms that ensure communities have a voice in the planning and delivery of services, and that improve accountability.

Some examples of our work on hospital reform:

Reducing child morbidity and strengthening health care systems, Malawi

In Malawi, HPI consultants worked with the Ministry of Health (MOH) from 2003 to 2007 to facilitate the implementation of hospital autonomy and strengthen central hospital management systems. At the start of the project, there was only a rudimentary 'road map' for hospital autonomy outlining a few key steps; there was no shared understanding of hospital autonomy by stakeholders and management systems were poor. The project assisted the MOH to establish a strategic framework, formulate an implementation plan for hospital autonomy and systematically strengthen all management systems. This led to the development of the hospital reform policy (Draft National Policy on Hospital Reform), the Hospital Autonomy Bill, a draft Trust Constitution for Autonomous Hospitals and new management systems for human resources, finances, revenue, clinical and non-clinical support services, pharmaceutical services, transport and so on.

Also as part of this project, HPI consultants worked with managers at Queen Elizabeth Central Hospital to streamline and standardise the process of referring patients between districts and central hospitals and to improve the quality of care at district level through training district-level clinicians. This was to address the way that the hospital was overwhelmed with patients coming directly to the hospital having bypassed their nearest health facilities. The initiative resulted in quick, reliable and efficient communication between referring clinicians and referral institutions (including the standardisation of referral forms), an effective referral feedback mechanism, and improved clinical management of cases at district-level prior to referral.

Support to hospital management reform, Ghana

The Regional Health Management Team in Upper West Region, Ghana, launched a hospital appraisal, planning and management strengthening process for all public and non-governmental organisation-run hospitals. HPI supported the design and implementation of an annual peer appraisal methodology and provided technical support in the review, analysis, planning and reform of hospital management systems. Computerised accounting and financial management systems and patient-focused quality assurance systems were introduced in all hospitals. HPI provided capacity-building support to Ghanaian staff, enabling them to take over the appraisal and management strengthening process and helped to establish organisational structures to sustain the process.

Management support to strengthening of Hung Yen provincial hospital, Vietnam

A team of consultants investigated the viability of a five-year programme of health care strengthening support from Lux Development to Hung Yen Province, Vietnam. HPI provided hospital management support to the project to help improve and strengthen operational management. This involved assisting in the liaison between hospital and provincial health authorities; assessing hospital performance and providing recommendations to improve organisation and management; developing and improving strategic services planning, organisation and evaluation; assessing the health workforce requirements for the hospital and providing recommendations for improved performance; and the development and field testing of management tools.

Hospital reform programme, Tanzania

HPI provided technical support to the Tanzanian Ministry of Health in the conceptualisation, planning, implementation and monitoring of a major initiative for the reform of hospital services. This work took place within the context of wider reforms within the health sector and the introduction of a sector-wide approach (SWAp) to health service development. HPI led the design of new systems and procedures for the MOH in contracting and financing hospital services; carried out strategic planning of capital development for the national referral centre; and prepared for the nationwide reorganisation and reform of public laboratory services.

Hospital strategy project, South Africa

The South African National Hospital Strategy Project for the Department of Health prepared strategic plans for transforming the country's 423 public hospitals, in order to redress past inequity in hospital access; deal with serious inefficiency and declining quality of care; and redirect resources to primary health care. This national planning exercise at national level and with each of the country's nine provinces was implemented by HPI and three South African organisations. It covered five main initiatives:

- The development of national affordability guidelines for rationalising of hospital services and staff for the whole country and for all levels of care
- A national policy framework and implementation plan for decentralisation and reform of hospital management
- Defining a labour relations policy in the management of hospitals
- Setting out a national strategy for hospital cost recovery
- Analysis of contracting out in public hospitals.

These initiatives were adopted as the basis for development of South Africa's hospital services and substantial implementation has taken place in most provinces across the country.

Review of Botswana's hospitals

In 1993, HPI consultants undertook a detailed review of all Botswana's district hospitals and a national mental hospital and assisted in the planning of their re-development. From 2005 to 2007 HPI's Southern African partner, HPSA facilitated the development of a human resources plan for the health sector that included all hospital and district health services.

Hospital Transformation project, South Africa

In the Eastern Cape Province of South Africa, HPI's partner HPSA facilitated the Hospital Transformation Project between 1999 and 2002, which rationalised service provision and human resource utilisation to achieve greater equity and efficiency in hospital services and an appropriate resource shift to primary health care services.