Chapter – 3

Role of Punjab Health Systems Corporation in Secondary Health Care Services
Chapter – 3

IMPROVEMENT OF SECONDARY LEVEL HEALTH CARE SERVICES THROUGH PUNJAB HEALTH SYSTEMS CORPORATION

Hospital Services at the Secondary level play a vital and complementary role to the tertiary & primary health care system together form a comprehensive district based health care system. After prevention, the cure is the only remedy. The Government sector was mainly taking care of preventive measures and insignificant sum of the total was being spent on curative part. It was noticed that District Hospitals, Sub-Divisional Hospitals and Community Health Centres were having critical gaps in buildings, equipment, manpower, and skills and were unable to provide required basic health care services.

With an objective to improve efficiency and quality of the health care provided at first referral level hospitals, the State Govt. took an initiative to prepare a proposal for seeking aid from the World Bank. With the World Bank support, in the year 1996, the Government of Punjab embarked on an ambitious program to improve the State’s secondary health services.

Project Approach & Objectives: The project approach was an investment operation with substantial policy contents and addressing priority issues to help the State to put in place the sustainable first referral health system to support the rest of the health sectors. The main objectives were to: (i) Improve efficiency in the allocation and use of health resources through policy and institutional development; and (ii) Improve the performance of the health care system through improvements in the quality, effectiveness and coverage of health services at the first referral level and selective coverage at the primary level to better serve the neediest sections of society. The achievements of objectives were to be evaluated on the basis of timely implementation of Health Sector Development Programme (HSDP).
ACHIEVEMENTS

The project upgraded 156 secondary level hospitals (including Community Health Centers, Sub-Divisional and District Hospitals) and two Training Institutes. This added approximately 2,100 additional beds in the public sector and provided much needed equipment and medicines.

Establishment of the Punjab Health Systems Corporation (PHSC)

The project introduced the Punjab Health Systems Corporation (PHSC) to run the secondary facilities. This brought them outside the ambit of the usual government bureaucracy. The PHSC is efficaciously staffed and has greater financial and administrative autonomy and along with that came more flexibility and more accountability. The structure of the PHSC may be seen at Figure-3.1. Following are the achievements of the PHSC in implementation of the Project:

Strengthening the capacity of the Department of Health & Family Welfare for strategic thinking:

A Strategic Planning Cell has been established which is functioning under the overall supervision of Managing Director-PHSC-cum-Secretary Health. Several studies / activities were undertaken by this Cell which mainly includes:

(i) Equipment Status and Requirement;
(ii) Training need Assessment;
(iii) Size of Private Health Care and Infrastructure in the State;
(iv) Burden of Disease;
(v) Preparation of Draft Nursing Home Registration Act;
(vi) Manpower Study comprising of analysis of staffing position and requirements;
(vii) Analysis on utilization of hospital services and financial analysis on exemptions;
(viii) Assessment of drugs availability in the hospitals;
(ix) Rational usage of drugs;
(x) Mapping pattern of major communicable diseases (GIS);
(xi) A draft policy on public private partnership;
(xii) Prescribing practices;
(xiii) Study on Health Care Waste Management;
(xiv) Continuous patient’s satisfaction surveys;
(xv) Study on Female Foeticide;
(xvi) Maternal Death Audit;
(xvii) Evaluation of training programmes;
(xviii) External validation of HMIS data;
(xix) Preparation and analysis of monthly, six monthly and yearly hospital efficiency report;
(xx) Implementation of IEC strategy;
(xxi) Community perception on utilization of health care services in PHSC versus Private;
(xxii) Health Insurance Scheme;
(xxii) Documentation of processes; and
(xxiii) Revamping /Restructuring of Primary Health Care.

**Enhancement of the role of private & voluntary sector in the Delivery & Management of Health Services:**

Sanitation services in 58 hospitals, Ambulance Operation services in 62 hospitals, Canteen, Cycle Stand, STD operation services in all 42 hospitals, Hospital Waste Management services in out of 154 hospitals (as time gap arrangements), Maintenance Services such as electrical and plumbing in all the 154 hospitals have been contracted out to the private providers. Various voluntary organizations were involved for conducting studies for IEC activities. NGOs from Canada & U.K. were also involved in providing specialized surgical services. Effective steps have been taken for getting information regarding disease surveillance from private sector providers through Indian Medical Association (IMA).
Doctor giving information regarding citizen charter
Introduction of user fees and greater hospital autonomy

User-charges were introduced at all the facilities under the control of the PHSC. The fees are posted on the walls of the facility which creates greater transparency. The revenue generated from user charges has been retained at the hospital level to provide drugs, patient facilities, equipment and building maintenance. User charges have risen dramatically since 1996/7 when they were Rs 4.1 million to over Rs 100 million in 2002/3. Despite accounting for not more than 2 percent of the overall health budget, user-charges have made a dramatic difference to the quality and level of services provided at the secondary level where they account for approximately 7 percent of total spending. This has greatly increased the satisfaction level of health providers as well and resultantly the confidence of the patients in the services being rendered.

User charges have increased flexibility in managing hospital facilities. User charges have allowed hospitals to raise their own funds for essential items that government has been unwilling to budget sufficiently for e.g. maintenance, drugs etc. Secondly, although the broad allocation of user charges is fixed at the overall level, the hospital managers have been provided with increased autonomy to procure medicines, materials and repairs. This has resulted in an end to the situation where breakdowns in equipment would take months to resolve. One doctor summed up the situation in the following manner, “before the corporation was established we had to write a letter requesting permission to buy a single bar of soap”. Now SMOs are allowed to sanction up to Rs5,000 expenditure and Civil Surgeons up to Rs10,000 on each item.
### Table 3.1
User charges FY 2000/01 – 2003/03 (audited)
{Figures in Lakhs}

<table>
<thead>
<tr>
<th></th>
<th>2000-01</th>
<th>2001-02</th>
<th>2002-03</th>
<th>%age increase 02-03/00-01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipts</td>
<td>435.00</td>
<td>761.00</td>
<td>1047.00</td>
<td>140.69</td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drugs</td>
<td>188.00</td>
<td>235.00</td>
<td>349.00</td>
<td>85.64</td>
</tr>
<tr>
<td>Patient facilities</td>
<td>108.00</td>
<td>213.00</td>
<td>369.00</td>
<td>241.67</td>
</tr>
<tr>
<td>Building Maintenance</td>
<td>52.00</td>
<td>81.00</td>
<td>128.00</td>
<td>146.15</td>
</tr>
<tr>
<td>Equipment Maintenance</td>
<td>30.00</td>
<td>49.00</td>
<td>604.00</td>
<td>1913.33</td>
</tr>
<tr>
<td>Total</td>
<td>378.00</td>
<td>578.00</td>
<td>1450.00</td>
<td></td>
</tr>
</tbody>
</table>

Source: Punjab Health Systems Corporation

**Tackling of Gender Issue:** Intensive IEC activities have been carried out through Print Media, Electronic Media, Folk Media, Outdoor Publicity, Workshop Seminars, by involving working groups in the villages known as Istri Sehat Sabha to promote the cause of the girl child and improve the sex ratio. Continuity and sustainability of the campaign is necessary to make dent on the social issues relating to mind set. Impact: In a recent study conducted by DoHFW (period from Nov.-03 to Jan-04) has shown that now sex ratio involving age group 0-6 years has improved to 894, from a level 793 previously recorded, which year?

**Development of Surveillance Capacity for Major Communicable Diseases:**

Twenty two communicable & non-communicable prevalent are being monitored. Necessary steps have been taken for isolation and treatment of the patients and necessary drug administration has been established to tackle any type of emergency. For tracing of contacts for monitoring & evaluation necessary data is being collected and analyzed to
find the disease burden, trends, prevalence, epidemic and reports are prepared with charts, graphs & mapping on GIS.

Improved management and training

The project established an HMIS system to provide timely and accurate information needed to improve management of health facilities. Improved management cannot be accomplished in the absence of data on health system performance indicators. Prior to the project’s establishment, there was no performance culture in the Department. Without computerization of records and a strong MIS system, records were irregular and erratic implying that management was not in a position to take rational decisions to improve the system. The project solved this problem by establishing a systematic Health Management Information System. With the computerization of the 50 larger hospitals and systematic record-keeping and data entry and other facilities, the corporation had the ability to monitor inputs and outputs of the system and help managers set basic targets for their facilities. The Corporation has also developed its own website to disseminate information at www.punjabhealth.org.

Measuring performance automatically provides an incentive to improve performance. In addition to establishing a computerized system, the corporation also imparted training in HMIS and introduced a team of statistical analysts at the district level. Regular inspections and a feedback mechanism for quality assurance has succeeded in establishing a continuous supply of timely accurate statistics. Establishing the HMIS system not only provided management with good quality information on which to base their decisions, it also provided doctors with an incentive to improve their performance now that it was being accurately measured for the first time. Each hospital is graded between A+ to D creating a positive peer pressure and increased awareness among service providers. The Corporation also introduced non-monetary incentives such as letter of appreciation to the small percentage of doctors that exceeded their benchmarks by five times or more.
**Introduction of bio-waste management techniques.** The Corporation also introduced improved bio waste management techniques separating hospital waste into three categories of (i) hazardous materials, (ii) infectious waste and (iii) generic waste. This system is working well throughout the corporation facilities with only a small number of exceptions that were identified in a recent health audit.

**PATIENT SATISFACTION SURVEYS**

Patient satisfaction has emerged as an important indicator to determine and evaluate the quality of care. It is also an important indicator of patient demand. Undertaking a series of patient surveys has enabled the Corporation to see its facilities as patients see them and to respond to patients as customers.

The surveys illustrate that patients do not travel far to visit the PHSC hospitals. More than 2/3rd of patients live within 5 km and about 80 percent live within 10 km of the PHSC facility. In patients and those visiting district hospitals are likely to travel farther than out patients or those visiting CHCs. About one quarter of patients travel to the hospital on foot and yet almost half the out patients reach the facilities within 15 minutes. In patients traveling to PHSC hospitals took on average 30 minutes to reach the facilities, approximately the same time taken to reach non-PHSC facilities.

The surveys also illustrate that the prime reason that patients attend the PHSC facilities is the inexpensive cost (31 percent) followed by the availability of skilled doctors (23 percent). Much less important was given to good infrastructure or the availability of drugs. In general the patients were satisfied with most aspects of their experience in PHSC hospitals and satisfaction rates were almost always higher for PHSC run hospitals than non-PHSC facilities (see Table 6.2 below).
TABLE 3.2

PATIENT SATISFACTION AT PHSC AND NON-PHSC HOSPITALS

<table>
<thead>
<tr>
<th>Selected Indicators</th>
<th>PHSC</th>
<th>NON-PHSC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean toilets</td>
<td>71.3</td>
<td>42.3</td>
</tr>
<tr>
<td>Canteen</td>
<td>17.9</td>
<td>3.0</td>
</tr>
<tr>
<td>Quality of drugs</td>
<td>92.4</td>
<td>79.1</td>
</tr>
<tr>
<td>Availability of essential drugs</td>
<td>65.8</td>
<td>50.0</td>
</tr>
<tr>
<td>Availability of diagnostic facilities</td>
<td>77.7</td>
<td>33.3</td>
</tr>
<tr>
<td>Quality of building</td>
<td>98.1</td>
<td>66.7</td>
</tr>
<tr>
<td>Behaviour of nursing staff</td>
<td>94.6</td>
<td>83.3</td>
</tr>
<tr>
<td>Waiting time justified</td>
<td>64.9</td>
<td>71.4</td>
</tr>
<tr>
<td>Costs of x-ray is too high</td>
<td>6.4</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Source: IIHM Patient Satisfaction Survey

The surveys undertaken to date cast the Corporation in a good light and are largely consistent with our recent field visits. However, the surveys themselves should be strengthened to incorporate best practice techniques that are not yet being used e.g. random sampling, proportional weighting and interviewing patients at home rather than inside the facilities. The Corporation should also adopt a standardized core questionnaire to allow for tracking of key indicators and perceptions over time.

The surveys also provide PHSC management with a number of other suggestions for better managing queues e.g. at the pharmacy, long lines could be reduced by separating lines for drugs for common ailments from other lines. A location-wise analysis undertaken on behalf of the Corporation by Price Waterhouse Coopers indicates that the PHSC should make gynaecology, maternity and paediatric facilities available in all hospitals. About a third of patients also raised concerns about the politeness of nurses and pharmacists if such feedback was automatically collected at time of discharge it could feed into a performance review system. Patients also complained about the lack of canteen and telephone facilities these
could easily be outsourced to private providers in the face of such a high demand.

**OUTCOME OF THE REFORM PROGRAM**

The outcome of the reform program has been impressive, by any standards. Table 3.3 indicates the tremendous increase in key performance indicators during the first seven years of the reform program. The number of patients attending secondary care facilities has increased significantly during the last few years. The secondary health care facilities run by the corporation are now dealing with almost 8.5 million out patients each year, from a total population of approximately 24 million. The table also illustrates that the number of lab tests and diagnostic tests has also shot up dramatically.

**TABLE 3.3**

**PHSC KEY PERFORMANCE INDICATORS 1996 – 2004**

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>OPD</td>
<td>5197689</td>
<td>5136057</td>
<td>6883072</td>
<td>8347549</td>
<td>8420636</td>
<td>8710854</td>
<td>67.59</td>
</tr>
<tr>
<td>No. of Surgeries</td>
<td>39916</td>
<td>118027</td>
<td>143053</td>
<td>152862</td>
<td>229403</td>
<td>319229</td>
<td>699.75</td>
</tr>
<tr>
<td>No. of X-ray</td>
<td>80439</td>
<td>196429</td>
<td>307749</td>
<td>460642</td>
<td>551118</td>
<td>633409</td>
<td>687.44</td>
</tr>
<tr>
<td>No. of Lab. Tests.</td>
<td>278092</td>
<td>1403864</td>
<td>1675987</td>
<td>2283039</td>
<td>3008819</td>
<td>3661952</td>
<td>1180.85</td>
</tr>
<tr>
<td>No. deliveries</td>
<td>18026</td>
<td>21171</td>
<td>19914</td>
<td>22242</td>
<td>27001</td>
<td>31117</td>
<td>72.62</td>
</tr>
<tr>
<td>Diagnostic tests</td>
<td>358531</td>
<td>1600293</td>
<td>2291485</td>
<td>3204323</td>
<td>3559937</td>
<td>4195361</td>
<td>1070.15</td>
</tr>
</tbody>
</table>

*Source: Punjab Health Systems Corporation*

Patients have not been discouraged from visiting these facilities by the introduction of user charges. The introduction of a systematic and transparent set of user-charges has witnessed large increases in the number of patients attending PHSC run facilities. There are several reasons for this. Firstly, the official fees may have partially substituted the informal payments which patients were accustomed to pay prior to the
reforms. Secondly, and perhaps more importantly, in a relatively wealthy State such as Punjab, patients would prefer to pay a fee for service rather than accept the corollary no-fee / no-service which was the situation prior to the reforms.

The effect of user-charges on the poor needs to be continually monitored. There is every indication that the amount of user-charges raised is reasonable at between Rs 6 – Rs 21 per patient depending on level of hospital. Moreover the chief medical officer at each hospital has the authority to reduce or waive charges completely for those that she/he feels are unable to pay which implies that the poor can still receive free services in public facilities. All yellow cardholders (BPL) are provided with free treatment. However, this situation needs to be monitored carefully as a recent survey of out patients showed that only 36 percent were illiterate and only 15 percent were from scheduled castes compared to 45 percent and 29 percent in non PHSC facilities.

User fees have been used to provide facilities with a budget for maintenance and equipment. The revenues generated by user fees were kept by each facility and spent on drugs, equipment, supplies and maintenance. All of these were essential items that had received little or no funding previously. As patients realized that public facilities were better stocked and began to function they returned in droves to utilize these facilities – rather than discourage patients from presenting, user-fees had the opposite effect. Doctors at the facilities were more accountable and absenteeism dropped dramatically.

Improved public services are providing competition to the private sector. Government officials report that as first rate diagnostic facilities were introduced in government hospitals at reasonable prices, the market rates for common health checks and investigations has also come down. A government document states that the market rates of ECG have come down from Rs.100 to Rs.50 and the rate of an x-ray from Rs.100 to Rs.60.