

# Easing the financial pressure of hospitals under the universal coverage era

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Indonesia's universal health coverage scheme, Badan Penyelenggara Jaminan Sosial Kesehatan, or BPJS Kesehatan, aims to provide all Indonesians with access to health services. Hospitals and healthcare facilities that provide healthcare services to the Indonesian population are reimbursed through the BPJS health program.

Delayed payments or rejection of claims can have a substantial impact on the financial stability, cash flow, and operations of hospitals and healthcare facilities that participate in the BPJS program, which in turn can lead to poor and inadequate healthcare services for patients.

The BPJS reimbursement criteria, based on Indonesia Case-Based Group (INA-CBG) guidelines, requires hospital leaders to make careful decisions on how to provide care without impacting profit margins. Studies from several hospitals in Indonesia found that rejected claims and late reimbursements were caused by several factors, including poor case documentation, errors in coding, wrongdiagnosis, and mistakes in administrative documentation.<sup>1-3</sup>



"In hospital management, quality and revenue are totally aligned, like two sides of the same coin."

— Dr. Dini Handayani





"When all the clinicians in the hospital provide care based on a common, trusted information source, unwanted care variability is reduced. Unnecessary costs due to escalations, unnecessary tests, and medical errors can be avoided. Doctors spend more time with patients. Productivity increases."

— Dr. Dini Handayani

### **Reducing Unwanted Care Variability**

As a hospital CEO with more than 20 years of experience in hospital management and quality, I believe the underlying cause of delayed payments and rejected claims is unwanted care variability. An example of unwanted care variability is when two patients with the same diagnosis have different experiences with regard to the quality of care and the type of treatments they receive, which often happens under the care of different clinicians.

This gap leads to confusion in case documentation, especially for cases that required several tests for confirming a diagnosis; thus, delaying medical reimbursements. In short, unwanted care variability leads to poor quality of care, tarnishes a hospital's reputation, and breaks trust with patients.

Quality initiatives often support hospitals in achieving target revenue and cost control at the same time. Hospital directors who are directly involved in the process of leveraging quality as part of a hospital's Key Performance Indicators (KPI) often run hospitals that perform better on achieving revenue growth and good cost control, compared to those that did not.

# Accreditation - A Path to Quality

Hospital accreditation is a solution for reducing unwanted care variability and improving quality of care. In Indonesia, hospitals are required to obtain accreditation from the Hospital Accreditation Commission (KARS), the official organization for accreditation endorsed by Ministry of Health. As a certified KARS Surveyor, I have witnessed hospital leaders who take accreditation seriously with a strong desire to improve quality. In hospital management, quality and revenue are totally aligned, like two sides of the same coin.

Achieving high quality and attaining accreditation standards requires significant investment. For example, KARS calls for hospitals to build and maintain clinical pathways. Pathways help hospitals establish standardization of care. However, developing clinical pathways is a time consuming and exhausting process. The hospital CEO needs to pull senior clinicians off their patient consultation hours in order to attend meetings, make decisions on which pathways to build, populate guidelines, spell out the indicators for specific diseases, and so on. All pathways should be founded on evidence-based processes, contribute to cost saving, and lead to good quality patient outcomes. Plus, clinicianss need to maintain these pathways regularly.

Due to this long and tedious process, most hospitals only develop clinical pathways for cases with high admissions,<sup>4</sup> which are not comprehensive enough for their needs.

# CDS - Trusted Evidence for Developing Clinical Pathways

Subscribing to a clinical decision support (CDS) platform is a more cost-effective way of developing clinical pathways. UpToDate<sup>®</sup>, the evidenced-based clinical support solution from Wolters Kluwer, drives effective decisionmaking and achieves better patient outcomes. For example, UpToDate pathways provide interactive guidelines that help clinicians address common conditions associated with unwanted care variability, helping the hospital to deliver a high standard of care. These pathways are based on the clinical content in UpToDate, which is developed by an editorial team of more than 7,300 doctors who are leaders in their field and other healthcare specialists from around the world.

By using a solution like UpToDate, hospitals can save time and resources developing and maintaining clinical pathways. Convenient access to UpToDate through an Internet browser or mobile device improves adoption, further ensuring adherence to best practice standards.

Lastly, UpToDate pathways capture the clinician's decision-making process, ensuring proper documentation is completed for improved patient safety; thus, improving the likelihood of reimbursement.

Unwanted care variability also results from outdated medical practices. Maintaining a highly qualified healthcare team is critical. A good CDS is an excellent resource for continuous medical education (CME). A cross sectional study of pre interns and early career doctors in Sri Lanka revealed that UpToDate is one of the most frequently used online resources, especially among early career doctors.<sup>5</sup>

#### **Investment in Quality Benefits Hospitals**

Quality intervention is the most recommended intervention to control cost and increase revenue, especially in the universal health coverage (UHC) era where competition is high. Hospitals need to direct their investment into areas that contribute directly to quality: the use of CDS, training and skill improvement for clinicians and staff, quality control, incentives for clinicians and staff who deliver quality services, and complaint and feedback mechanisms.

Improvement in these area will have significant impact on reducing patient wait time, decreasing length of stay (LOS), reducing variability in care, and maximizing patient outcomes.<sup>6-7</sup>

Ultimately a better patient experience will drive trust, and lead to better economic outcomes as well.

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