

Central Hospital Reform in Malawi: Challenges in Implementation

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Outline of presentation

- ✓ Review of policy and management problems
- ✓ Establishing a policy and regulatory framework that is conducive to implementing reform
- ✓ Strengthening central hospital management systems
- ✓ Facilitating devolution of essential health care to district facilities
- ✓ Conclusions

Policy and management problems

- ✓ Inadequate policy, regulatory and institutional framework
- ✓ Gross under-management of public central hospitals
- ✓ An inefficient health referral system

Chosen Policy - Decentralisation

- ✓ Poverty Reduction Strategy Paper commits Malawi to a policy of decentralisation, as part of the Highly Indebted Poor Country initiative.
- ✓ District Hospitals are the decentralised responsibility of District Assemblies.
- ✓ Central hospitals are a National Resource and thus to become “Autonomous” Hospitals responsible to a Management Board.

Establishing a policy/regulatory framework conducive to reform

- ✓ Drafting a comprehensive policy and Bill to guide central hospital reform
- ✓ Reviewing the roles of academic institutions and research organizations in promoting service delivery
- ✓ Reviewing control of research in Malawi and drafting comprehensive policy recommendations on biomedical research

Establishing a policy/regulatory framework conducive to reform (2)

- ✓ Negotiating new agreements with academic institutions and research organizations to operate at central hospitals
- ✓ Drafting a White Paper on Health to address emerging issues such as decentralization, changing role of government, Sector Wide Approach, control of health related research

Key Features of Reformed Central Hospitals

- ✓ Hospitals remain in public ownership therefore state assets are not alienated
- ✓ No change in fee policy
- ✓ Hospitals will need to convince MOH and MOF they have the necessary policies, procedures, systems and staff to implement decentralised management

Key Features of Reformed Central Hospitals (2)

- ✓ Decentralisation of management controlled through a performance management agreement between MOH and hospital board
- ✓ Hospital performance measured by outputs as well as inputs
- ✓ Introduction of a general management approach

Key Features of Reformed Central Hospitals (3)

- ✓ New cadre of professional hospital managers – CEO and Finance, HR, Physical Assets, Pharmaceutical Services Directors
- ✓ Allowed to attract new sources of finance
 - public – private partnerships
 - direct donations
- ✓ Continue to bid for Government capital funds

Strengthen central hospital management systems

- ✓ Introducing a decentralized annual business planning process
- ✓ Facilitating a management systems development process to document policies, systems and processes for administration of HR, finances, support services etc
- ✓ Introducing new revenue management system and a commercial accounting package to improve financial management

Strengthen central hospital management systems (2)

- ✓ Facilitate cost centre management by rationalizing the organizational structure, staff establishment, budget planning process and accounting system
- ✓ Strengthening the Hospital Management Information System to facilitate quarterly performance reviews
- ✓ Designing and implementing an electronic pharmaceutical inventory control system

Facilitate devolution of essential health care to district facilities

- ✓ Investigate the extent of and reasons for bye-passing of district health facilities (availability of drugs, technical and interpersonal skills of Health Workers etc)
- ✓ Assess the levels of care provided to patients at central hospitals (> 75% is district level care)

Facilitate devolution of essential health care to district facilities (2)

- ✓ Analyse the capacity of the district health system to absorb additional patient load (utilisation and resource distribution)
- ✓ Strategic planning of service delivery options to guide future development of the health system
- ✓ Support decentralisation processes aimed at improving the referral system

Conclusions

- ✓ Need to address a wide array of policy, management and devolution issues
- ✓ Considerable vested interests in status quo at all levels
- ✓ Policy changes, systems strengthening and structural adjustments take time to develop and implement
- ✓ Political commitment to reform is essential