Leaping from "Project" to Rollout: Case- Based Financing System

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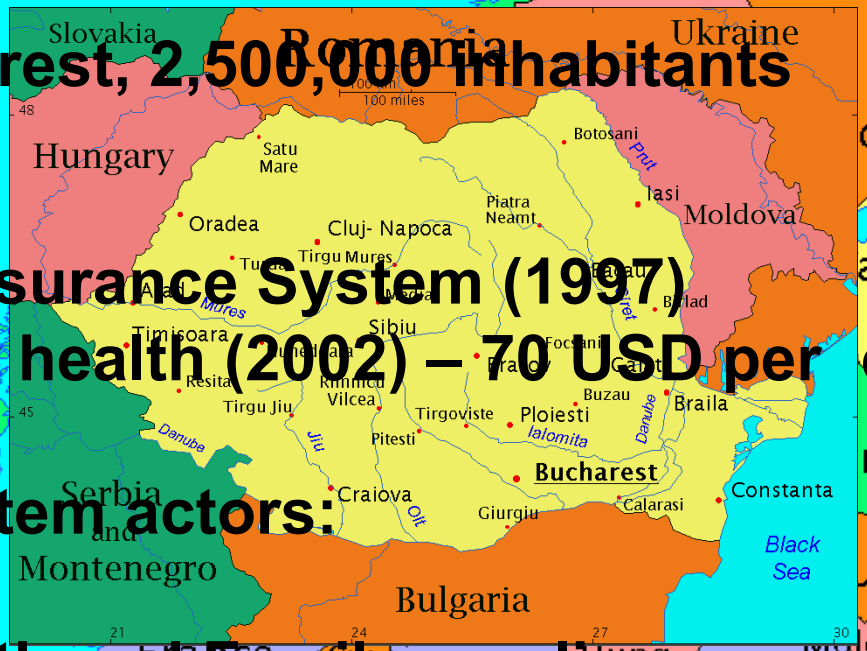
ROMANIA:

23,000,000 inhabitants

42 counties

Capital – Bucharest, 2,500,000 inhabitants



Social Health Insurance System (1997)

4.2% of GDP for health (2002) – 70 USD per capita

Main health system actors:

Ministry of Health and Family – policy

National Health Insurance House – financing

College of Physicians – quality of care

Providers – primary care, ambulatory, HOSPITALS, others

Problems/Solutions

- **Underfinanced system**
- **Non objective allocation to the big consumers – HOSPITALS (70%)**
- **Non efficient spending, waste at hospitals level**
- **No evidence of hospitals outputs**
- **Acceptable quality of care**
- **Lack of autonomy, incentives/ disincentives at hospital level**
- **Poor collaboration among key players in the health system**

- **Increased % of GDP for health – POLITICAL decision !!!**
- **CASE BASED FINANCING SYSTEM FOR HOSPITALS (technical and political decision)**
- **Common involvement and integrated approach of the health reform**

Practical Solution: Case Based Financing System

OBJECTIVES:

General

- **Improve transparency in allocation of limited resources available for hospitals**
- **Reduce inefficiency and waste at hospital consumption level**
- **Provide data for health policies and hospital management tool development**
- **Maintain or increase the quality of services provided at hospital level**

OBJECTIVES:

Specific

- **Create an environment where the technical tools are transferred to local and national institutions and decision-makers**
- **Increase in country capacity, for institutional buy-in and ownership of the case-based financing system implementation**

Project

INSTITUTIONS:

- **National Health Insurance House**
- **Ministry of Health and Family**
  National Center for Health Statistics
  Institute for Health Services Management
- **College of Physicians**
- **Ministry of Finance**
- **23 Hospitals (all types)**
- **USAID Romania**
- **DHHS, USA**

TEAMS:

- **Project Management**
- **Coding**
- **Management Information Systems**
- **Costing**
- **Communication**
- **Legislation/Policy/Regulation**
- **Quality**
- **Education**

Project and Implementation

2001

- ICD 10 coding in hospitals
- Electronic patient level data collection
- Grouping
- Data analysis
- Electronic department level cost data collection
- Modeling the reimbursement scheme
- Preliminary national scale implementation plan

2002

- Actual case based reimbursement for project hospitals (contracting, coding, data collection, grouping, financing)
- ICD 10 coding training national level
- Implementation Strategy Team operating
- Data analysis operational (quality indicators)
- Implementation strategy legislated and started to be implemented

Implementation

2002

- **Financing of 23 hospitals**
- **Implementation Strategy – team and plan – operational**
- **ICD 10 coding training national level completed**
- **Electronic patient clinical data collection prepared for the national level**
- **Electronic department level cost data collection national started**
- **Data analysis for collected data ongoing**
- **Establishment of a Central Institution responsible for technical implementation**

2003 and beyond…

- **Financing 23+ hospitals**
- **Ongoing implementation strategy refined**
- **National patient level clinical data electronic collection ongoing**
- **Electronic department level cost data collection national level ongoing**
- **Electronic patient level cost data collection designed and implemented**
- **Data analysis ongoing**
- **Refined reimbursement scheme**
- **Central Institution running**

Challenges

- Limited funds available for health care, reflected at the central/institutional and hospital level
- Poor dialogue at political and technical level among central institutions in the health sector and with the hospitals
- Needed political and technical knowledge, consensus and support from central and local/providers level
- Competing and often conflicting incentives within the health care system
- Poor history of inter-institutional representativity, team work and defined and assumed specific ownership and leadership

Factors of Success

- Identified technical tool to address several goals and objectives
- Built in country technical expertise with limited but continue external technical assistance
- 2 levels of support built–technical to induce political, and political to support technical recommendations
- Action – real piloting of the implementation
- Build and transfer the leadership and the ownership; achieving political support, with clear lines of what the "project" scope is vs. what the institutions will own and implement

Achievements & Lessons Learned

- **Political support, leadership and ownership assumed both at central level and local level**
- **Development of a core of local experts/technical assistance and piloting of the case based financing tools**
- **National scale implementation planned and agreed for all Romanian acute care hospitals by the end of 2004.**