

CHAPTER 4

GENERAL SANTOS DISTRICT HOSPITAL: AN INTERNAL ANALYSIS

4.1 BACKGROUND OF THE HOSPITAL

The government-run National Land Settlement Administration (NLSA) hospital which operated for many years during and after World War II, was the predecessor of the General Santos District Hospital (GSDH).

It was under the local administration of the late Mayor Antonio Acharon (1968-86) when GSDH was realized to answer the increasing health needs of the people in this city.

The hospital was then managed by the Department of Health (DOH) until 1992 when its administration was devolved to the local government. At present, its facilities consist of a TB pavilion, out-patient department, emergency, delivery and operating rooms, medical and surgical wards, pediatric wards and other ancillary facilities such as laboratory, pharmacy, dietary and central supply. Within its 5 hectares premises are nursing and medical dormitories, chief of clinics' quarter, tennis and basketball courts, military ward of the Philippine Army, and the city public health building.

After Mayor Acharon, the next immediate local chief executives have made important contributions to further the development of the hospital. They acquired new

equipment, renovated some facilities, and augmented medical and allied manpower support.

Recently, an over a million-peso psychiatric ward was under construction.

The post-devolution era has had dramatic impact on GSDH management and on the many policymakers. While the local government has responded fairly well with financial support, still the question of positioning GSDH in the coming years as a public hospital with an image of efficiency and effectiveness in the delivery of health care services remain dubious according to Dr. Benjamin Pagarigan, GSDH hospital chief and Diana Peria, RN, a clinical nursing instructor at Notre Dame of Dadiangas College.

4.1 VISION AND MISSION

GSDH has the following existing mission and vision statements that guide the hospitals in its present direction (Box 3).

Box 3. Vision and Mission of GSDH Hospital

<p>Vision Health For All Filipinos by the Year 2000</p> <p>Mission Integrated Health Services in Partnership with the People to Ensure Equity, Quality and Access to Health Care Services</p>

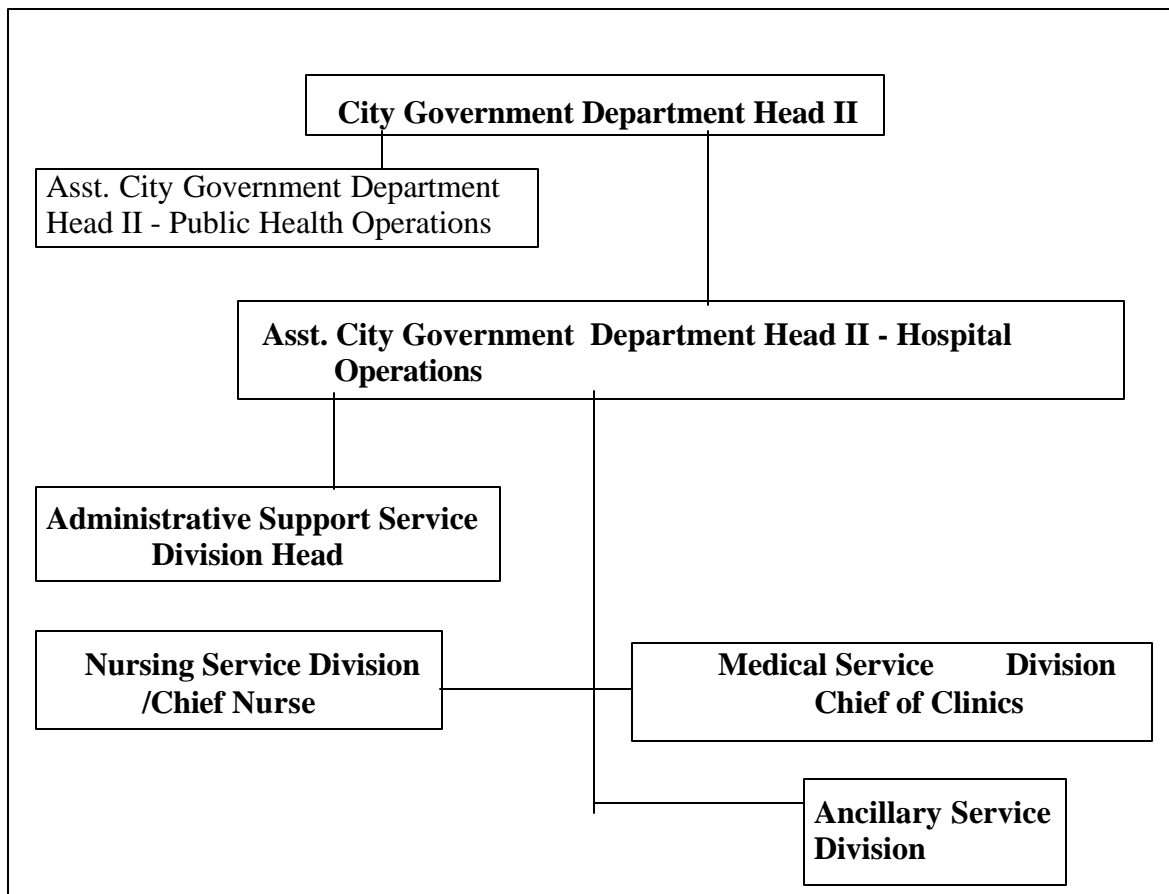
Source: Interview with CIHSO Administrative Officer

The vision statement was originally conceived as a slogan in the 1978 Alma Ata Conference held in USSR (now Commonwealth of Independent States) and was consequently adopted by many countries including the Philippines. The mission statement emphasizes integrated health services (IHS). It means both the hospital and public health services.

4.3 ORGANIZATION AND STRUCTURE

The City Integrated Health Services Office (CIHS) is mandated to provide the health care needs of the city populace.

Figure 4.1 Organizational Structure of the City Integrated Health Services Office



The department follows the traditional pyramid of line management (Figure 4.1). The Chief of Hospital, usually held by a surgeon, handles the hospital operations. Under him are the division heads in medical and nursing services, and section head of the ancillary services.

4.4 HISTORICAL AND CURRENT PERFORMANCE

4.4.1 MANPOWER REVIEW

Table 4.1 shows that the hospital has a core of eight (8) physicians and a host of visiting consultants of varied specialization mostly from the city. There are five (5) resident physicians who are general medicine and OB-Gynecology practitioners and three surgeons-on call. It has no medical internship program.

Table 4.1 Profile of Hospital Manpower

Names	Number
Employees	
Medical Service	8
Nursing Service	30
Ancillary Service	20
Administrative Service	18
Total	76

Source: GSDH Records, 1995

There are thirty (30) nursing service personnel. Apart from its regular nursing workforce, GSDH is also accepting nursing and midwifery students from General Santos City, Marbel and Tacurong for training affiliation.

Compared to other local private hospitals of the same category, GSDH required the affiliation program to have the students demonstrate hands-on practice. This program generates meager revenues for the local government; the program is viewed as a call to utilize GSDH as a training institution as earlier mentioned in Chapter 2.

To ensure improved services, the GSDH nursing personnel are encouraged to pursue graduate degree programs in nursing to support the clinical preparation of the affiliating students.

There was a high number of nursing volunteers for the first quarter of 1996 largely due to the scrapping of Project FIRST where the many nurses and midwives working in the city's 26 barangays shifted to the hospital.

4.4.2 OPERATIONS REVIEW

A.1 Facilities

The needed equipment were acquired. Some of the items were brand new but others were reconditioned. Existing equipment are highly depreciated.

With hospital facilities being renovated at a cost of over three million pesos, the replacement and additional equipment will soon follow. All wards and functional offices are expected to get a facelift soon according to acting City Budget Officer, Mr. John Quimosing.

The discussions in the immediate chapter indicate that cleanliness and availability of facilities are very important attributes in choosing a hospital for the patient. Thus, to ensure GSDH's image, it has to keep its premises clean and in good condition. The GSDH management hired an external agency to handle the sanitation needs of the hospital.

A. 2 Policies and Procedures

The hospital has no internal policy manual to follow except that one coming from the DOH. The latter's manual contains basically the hospital procedures, systems and rules governing a public hospital. The researcher further learned that CIHSO is still dependent on technical services from the DOH region.

Hiring and promotion of CIHSO personnel are done by the City Human Resource and Development Office (CHRMDO). The traditional practice is to promote directly from within either through lateral transfer or vertical promotion particularly for middle level position. Entry level positions are usually opened to outsiders. Certainly, basic civil service requirements such as eligibility, training, education, work experience are still complied with. But bureaucratic structures have impeded this system as appointment has to pass through a personnel selection board before it reaches the mayor who makes the final approval of appointment. Along the way there are political peddling being made. Whoever has the most influential patron gets promoted or hired. Replacement of resigned employees takes sometime and the creation of new job items is a tedious legislative process.

Salary is standardized, following a grade level system and a salary step increment. Other basic compensation comes monthly in the form of additional compensation allowance (ACA)/ personal economic relief allowance (PERA). There are also many bonuses such as anniversary, sports-cultural, mid-year, 13th month, etc. Of course, deductions usually reflect through Government Service Insurance System (GSIS)/Medicare contributions and withholding tax.

A.3 Admission and Discharge Procedures

Admission of patients goes through referrals from physicians, CSWDO/DSWD offices, barangay health stations and centers, health care professionals or paramedical personnel, or the from various LGUs' . Commonly, direct admission, meaning without referral, is the usual route. Table 4.2 shows the three-year admission and discharge profile.

Table 4.2 Profile of Admission and Discharges

Years	Total Admissions	Total Discharges
1993	7,531	6,584
1994	6,118	6,079
1995	7,032	None

Source: Hospital Records, 1995

Considering that 23 % of the total admissions for 1995 came from Sarangani Province, the researcher concluded that one-fourth of the intended operational budget for the hospital is spent to non-city residents. The amount is too much a burden for city tax payers. The data further confirmed that charity service has eaten up a big percentage in the whole “accommodation” pie.

Normally, discharge clearance is prepared once the patient has cleared all documents pertaining to his confinement with the billing section and this include paying all incurred expenses. However, there were many cases when patients could not pay or simply pay less, with a promissory note issued to guarantee his payment with the promise to come back. But unfortunately, many did not come back.

The absence of proper mechanism to identify recipients for indigence is another loophole, even affluent individuals can avail.

A.4 Purchasing Procedure

The purchase and issuance of materials and supplies are centralized at the supply section of the hospital operations. All purchases are covered by a purchase requisition form. For drugs and medicines, the pharmacist prepares requisition of drugs based on the physical inventory status. The average inventory level maintained is equivalent to three months consumption. When inventory falls below the requirements, a requisition will be prepared. It was learned that some generic medicines were not effective according Asuncion Rodriguez, GSDH detailed pharmacist.

By and large, purchases of medicines, equipment and office supplies usually go through the City General Service Office (CGSO), another LGU department which handles the bidding ,awarding and qualification of the suppliers.

There is no policy to identify or prioritize drugs and equipment purchases. The researcher offered a separate recommendation of having CGSO comes out with a policy

of transparency and creating an executive committee represented by non-civil servants in the pre-qualification, bidding and awarding committee (PBAC) for these purchases.

A.5 Nursing Services

Several reasons why GSDH and SCPH are the only two hospitals which experience low turn-over of regular nursing service personnel are attributed to the following: a) better privileges and fringe benefits, b) generally have more than five years in services and are married, c) enjoys two to three days off-duty in a week cycle.

At present, GSDH has 24 nurse volunteers providing short-term relief in helping the usual chores of the regular nurses. At present, the nursing service division seeing the need to take a step to improve the quality of patient care proposed additional positions (Table 4.3).

Table 4.3 Profile of Nursing Service Personnel

Existing	Proposal
1 chief nurse	none
1 supervising nurse	1 supervising nurse
8 senior nurses	none
12 staff nurses	21 staff nurses
1 midwife II	2 midwives
1 nursing attendant II	none
6 nursing attendant I	6 nursing attendants
Total 30	Total 34

Source: GSDH Records, 1995

As can be gleaned from the previous chapter, one key success factor of a hospital is the quality of patient care rendered by its warmth nursing service personnel. The

researcher believes that obviously a good quality of nursing service is a must for GSDH to develop and sustain its hospital image.

A.6 Medical Staff

Table 4.4 profiled the medical staff by areas of specialization. The medical staff is divided into two groups. The first group constitutes the resident physicians who are under the payroll of the hospital operations. These physicians have no affiliation with any other hospital but some manage their own clinics.

Many of the GSDH resident physicians were pushing for the replacement of aging equipment. GSDH has no medical consultant in radiology such that x-ray results were examined in private hospitals. The researcher suggested that GSDH management must consider retaining the services of a radiologist/sonologist.

Table 4.4 Profile of GSDH Physicians

Resident Physicians	Specialization
Drs. Lao/Sufficiencia	OB-Gyne
Drs. Ontoy/Oserio/Balmes	General Medicine
Drs. Tantay/Rafael/Pagarigan/de Leon	General Surgery
Visiting Consultants	
Drs. Baac/Nicolas/Silva	Anesthesiology
Dr. Aliwalas	Internal Medicine
Dr. Rafael	Pediatrics
Dr. Torrejos	EENT

Source: GSDH Records, 1995

B.7 Length of Stay (LOS) and Bed Occupancy Rate (BOR)

The LOS and BOR in Table 4.5 illustrate a marginal increase since 1993 in both important indicators. The significant increases in 1995 from 1994 of BOR is attributed to external factors i.e. increase population in the SOCSARGEN area and the occurrence of various epidemics of that year. The lack of acute care facility in Sarangani Province and other towns in Davao del Sur has forced some patients to seek GSDH services.

Furthermore, the final analysis shows that both GSDH indicators are simply above DOH and industry standards while still long by international standards and long in comparison to private hospitals in the country. This situation is alarming particularly with the LOS as this increases the cost of patient care during his entire stay. The indicator of (0 % bed occupancy rate is normal according to DOH. The average length of stay in tertiary hospital is 4.93 days, in public hospital.

Table 4.5 GSDH Hospital Indicators

Years	LOS	BOR
1993	4 days	none
1994	5 days	87 %
1995	5 days	93 %

Source: GSDH Records, 1995

4.5.3. MARKETING REVIEW

A. Product Position

GSDH is positioning in the field on internal medicine. Of the total patients discharged for the past three years since 1993, 52 % to 73 % were treated under the

department (ward) of medicine. The other areas, in which GSDH is also strong are the Department of Pediatrics, OB-Gynecology, and General Surgery. In addition, GSDH has an out-patient department although not directly related to the hospital operations. Table 4.6 indicated the greater percentage of the medicines and pediatric departments.

Table 4.6 Profile of Discharges Based on Service Areas

Service Areas	1994	1995
Surgery	1,074	658
Deliveries (OB-Gyne)	1,220	1,258
Pediatrics/Medicine	3,155	4,788
Total	6,079	6,584

Source: GSDH Records, 1995

The researcher believes that GSDH is capable of positioning itself in the mentioned fields because it has a core of experienced and specialized physicians. In addition, most of the resident physicians are general medicine practitioners.

Table 4.7 Profile of the Leading Causes of Admission

1993	1994
PUFT	PUFT
Bronchopneumonia	Bronchopneumonia
URTI	Acute Gastroenteritis
Acute Gastroenteritis	Trauma
PTB	Typhoid Fever

Source: GSDH Records, 1995

The leading cause of admission based on final analysis at GSDH (Table 4.7) fitted the market because one of the leading causes of morbidity is bronchopneumonia as discussed in the earlier chapter.

B. Patient Profile

In the analysis of the health condition of the population in Region 11, the leading cause of morbidity were diarrhea, bronchitis, influenza, pneumonia, and malaria. These illnesses were being treated by GSDH physicians. Hence, it can be concluded that GSDH is serving the needs of its market and there is a product market fit.

Table 4.8 shows the patients profile by type of services at the hospital. for the past two years (1993-94), the department of medicine accounted for 36 % and 28 % of the total patients while pediatrics has 24 % and 28 %.

Table 4.8 Patients Profile (By type of services)

Services	1993	1994
Medical	3,112	1,836
Surgical	1,475	967
OB- Gyne	1,761	1,252
Pedia, etc.	2,219	1,624
Total	8,667	5,725

Source: GSDH Records, 1995

C. Pricing

The service fee/rate charged by GSDH is determined by the billing section. There is a fixed DOH policy of pricing particularly on Medicare patients. The usual practice is to charge the patients for the cost of medicines and other ancillary services. And because the rate per room and some ensuing hospital expenses are cheap, the researcher believes

that patients are not so much concerned with room accommodation. What mattered to them is the cost of medicines bought outside GSDH.

4.5.4 MANAGEMENT CONTROL SYSTEM REVIEW

A. Management Information System

Budget at the unit and section levels is made by respective heads. It is submitted to division heads. The city local health board, sometimes operational, submits the proposed budget to the Sangguniang Panlungsod for funding. However, all budgets went through cutback.

The medical record section prepares the medical reports. The laxity of records management led the researcher to recommend for the quarterly submission of reports utilizing the indicators as planning data. These data can be utilized for budget and program preparation, and must be furnished to the department head and the Office of the City Planning and Development Coordinator.

B. Inventory Control System

GSDH's materials and medicines inventory are currently stored in the supply office. The present practice is to maintain an average of three months of quarterly supply of medicines. There are times when supply at the pharmacy runs out. The dietary section

has its funds to use for purchases or kitchen needs. But this section often suffer budgetary deficit because patient admission in the hospital always overshoot from the maximum level of 100 bed capacity to as high as 30 % more.

The purchase of medicines and other medical provisions is not properly studied by the management. So surprising to learn that even medicines for simple relief though cheap are not available at the pharmacy while expensive ones are not on the shelves and racks. The researcher believes that some physicians were prescribing medicines because of monetary patronage they got in return from medical representatives whose products do not make their way to the pharmacy.

C. Internal Control System

GSDH has no internal audit section. The researcher sees a foreseeable crisis for a big organization like GSDH which has no adequate internal operational policy guide and a huge funding at that.

4.5.5 FINANCIAL REVIEW

A. Credit and Collection

The collection process is often a problem as collections from Medicare do not necessarily arrive on time. GSDH's policy for non-paying patients requires a promissory note and is usually abused by patients. The uncollectible amount is then charged to charity.

The billing section usually billed patient fifty pesos for the whole duration of his stay, and represent miscellaneous fee to cover the marginal cost incurred by patient.

Patients treated and consulted in the OPD is another revenue source for CIHSO. Practical guideline should be made to avert further graft practices specifically on billing, collection, and remittance of the money. Reliable hospital sources who requested for anonymity said that OPD admissions during weekends were anomalous transactions as there were no official receipts issued. The researcher recommends a policy curtailing such practice.

The same sources revealed that other areas such as laboratory, x-ray, emergency, operating and delivery rooms were graft-prone.

B. Revenue and Expenditures

GSDH's revenue (Table 4.9) is generated primarily from medical consultations, treatment and medicines prescribed. In 1994, P 923,000 pesos was realized, up by 70 % from the previous year's revenue of P 647,000 pesos. The significant increase in income for 1994 was practically convincing since the expenditures have dropped from 15 million pesos in 1993 to 11 million pesos the following year. Many perceived this scenario as politically motivated because of the looming 1995 local elections where spending spree were unusually high and besides only those visible projects were to be implemented.

For GSDH, the researcher recommends that revenue must be looked into in the context of optimization. From out of a meager budget, services and operations must be prudently utilized. Cost restructuring should be considered by the GSDH management.

Table 4.9 Cost of Operating and Maintenance of GSDH

Year	Total Income	Expenditures	Budget
1993	P 647,518	15,956,489	16,033,454
1994	923,135	11,124,468	12,787,853

Source: GSDH Records and City Budget Office, 1995

4.5 STRENGTHS AND WEAKNESSES

4.5.1 STRENGTHS

GSDH as a pioneering public hospital, is fully supported by the local government of General Santos City in terms of financial support and to some extent, DOH technical support. As a pioneer mother-and-baby friendly hospital in the city, GSDH has created an emerging image apart from the fiscal incentives it received from DOH.

The hospital does not require a deposit of cash when a patient is admitted projecting a good impression among incoming patients. It has low charges to patients and indigents often avail of free services. Another inherent strength for a public hospital is that foreign medical missions are often held there.

The good location of GSDH and the available huge tract of land, although not yet legally owned by the city government, provide positive impact for future expansion.

4.5.2 WEAKNESSES

GSDH has no formal alliance with any tertiary public hospital that can easily provide physicians on a regular rotation basis. There are limited physicians on residency and consultancy status. It has no medical internship program. Judging from the previous chapter, the physicians have great influence in the economic system of the health care. The current state of medical services needs further improvement.

The hospital has limited number of nurses to staff its various stations thus, the low quality of its service. Nevertheless, its equipment and facilities needs have been addressed but these still need further review to improve services.

Sanitation level is not sustained. Overall, the hospital areas are too structurally wide apart from each other requiring a big number of medical manpower as compared to private hospitals where several wards are serviced by one station.

Its poor inventory and collection control systems leave the hospital vulnerable to graft and corruption. Written policies are non-existent.

In conclusion, the researcher believes that GSDH is capable of addressing the weaknesses and problems it currently faces. The hospital must take advantage of its strengths and focus its directions towards its major weaknesses.

4.6 SUMMARY

General Santos District Hospital (GSDH) is one of the two sub-departments of the City Integrated Health Services Office. At present, its is undergoing organizational restructuring aimed at bringing efficiency and effectiveness in the delivery of health care services.

For a large health care institution like GSDH, its 76 personnel members still fall short of the ideal manpower requirement. Thus, the need for additional manpower complementation especially the nursing service personnel. Major facilities have undergone renovations while new equipment were ordered to address the sophisticated health care needs of the patients as well as the medical personnel.

A few observations must be seriously studied. For instance, GSDH has no internal policy manual/handbook, purchasing system has procedural flaw and even inventory and internal control systems are not in place. Medical data reports are not fully utilized as planning tool in the budget preparation and the likes.

The researcher suggests at least, to adopt the DOH policy manual and to improve its policy contents. For its institutional weaknesses, GSDH may well capitalize on its major strengths to put on course its strategic move.