#### **Review of Article :**

Linking organizational structure to the external environment : experiences from hospital reform in transition economies

PHO Group Melbourne, 6 Sept 2012

#### Hospital REFORM, in the article



#### **Determinant of Hospital Behaviour**

- Interaction of external incentives
- organization structure.

#### Hospital Behaviour changed positively by :

synergetic REFORM to both of external environment and organization structure of hosp / hospital networks.

#### **External environment of Hospital**

The external environment of hospital can be conseptualized in terms four functional relationship, as follows :

- The relationship of hospital with purchasers
- The relationship of hospitals with consumers
- The relationship hospitals with government
- The relationship of the hospitals its the owner.

## Organizational Structure of Hospital

Key dimension of the organizational structure of hospital such reforms include :

- autonomy
- market exposure
- Residual claimant status
- accuntability and
- social function

#### Three key element strengthen government oversight :

- Developing a policy framework : setting well

   defined objectives, ensuring internal
   consistency and coherence, matching scale
   and pace of reforms design with institutional
   capacity
- Creating and enforcing an effective regulatory framework : licency, acreditation, certification
- 3. Gathering intelegence

Redesigning the regulation governing hospital regulation

Two areas of complementary regulation are important:

Labor market deregulation (not discused in article)

Hospital licensing, accreditation, certification

# Licensing

The process by which legal permission is granted by acompetent authority, usually public, to an individual or organization to engage in practice, occupation, or activity otherwise unlawful.

## Certification

Is the procedure and action by which a duty authorized body evaluates and recognizes an individual as meeting predetermined requirements, such as standards.

## Accreditation

Is the formal process by which an authorized body asesses and recognizes anorganization, program, or group as complying with requirements such as standarts or criteria.

- L, C, and A must be set up at the start create an hospital regulatory framework.
- L, C, A must be commitment all of official employee
- L, C, A what were set up earlier, (and publicated) can give gathering intelegence for stakeholder (include consumer)

# Existing in Indonesia according to the article

Strength Supporting regulations Beraucratic reformation is on process now Quantity of human resources is adequate	Weakness Stringency of budgeting Distribution of human resources
Opportunities	Threat
Increasing quality and competency of	Globalization of public health service
human resources	Competiton of human resources

## Things that can be applied in Indonesia according to article

- Macroanalysis of the ease with policy change can be implemented
- 2. Budgeting reformation
- 3. Management of human resources
- Develop the strategic plan that involve multi sectoral



# How to apply in indonesia ?

- The article is feasible to applied to change hospital behaviour in indonesia, cause there are several conditions in indonesia the same as this article, as follows :
  - Rule of Hospital was signed.
  - Strengthening government oversight. The effort to increase
    - govenrment role of oversight of hospital in indonesia was done, like "Badan Pengawas RS".
  - Appliying of licensi, certification and accreditation
  - Increasing relationship among hospital with purchaser, consumers, government and owner
  - Increasing accountability and social function of hospitals

# How to apply in indonesia ? - 2

Two models of public hospital in indonesia which the same as conditions with the article , as follows :

- Hospital with "profit" oriented.
  - $\rightarrow$  it's call hospitals with BLU management. (this hospital
- Not profit oriented,
  - →it's call "pratama hospital" (new model hospital in indonesia to support total coverage 2014 years)

# Both of the them give the contribute to reform in transition economies of hospital.