

Hospital Management in Developing Countries Lessons from the Philippines

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Presenter Disclosure

The following personal financial relationships with commercial interests relevant to this presentation existed during the past 12 months:

NO RELATIONSHIPS TO DISCLOSE

My focus:

**Patient-Centered Management
and Social Responsibility –
Success with limited resources
A Case Study from the Philippines**

Key issues faced by developing country hospitals

1. Untrained managers
2. Doctor-centered care
3. Financial and manpower shortages
4. Constant need to upgrade equipment
5. Competition
6. Minimal or no participation in community health

The bright side

1. Lower labor costs
2. Lower construction costs
3. Fewer legal suits
4. Emergency rooms are not crowded
5. Great variety of medical specialties at lower cost
(in bigger cities)

**Key Resource ---
the poorest countries have their share
of wealthy people**

**Key Strategy ---
make your hospital so good
it will attract both the rich and the poor**

**How can you do this with
limited human and material resources?**

**Antidote to fewer resources
INNOVATE
to do more with less**

Antidote to competition

Follow the
Rotary International motto:

**“He profits most
who serves best”**

The Lorma example:
75 years of innovations
Lorma Medical Center, Inc.

76-yr old hospital in San Fernando. LU, Philippines

The Lorma Medical Center (2010)

A Private Family-Owned Corporation

Lorma Hospital in 1959
(Private Hospital Founded in **1934**)
3 MDs, 30 beds, 30 staff

Innovations -- First 25 years

- 1. Honoring God in every important event
Prayer -- before major operations
and for serious patients**
- 2. Family can watch operations
from gallery**
- 3. Personalized service – patients served meals they
requested**
- 4. Patients are treated even if they cannot pay**
- 5. Founder wrote self-help book in the local language:
“What to do when you are sick”**

Lorma, Inc.
Second Generation leadership Focus
-- next 50 years

1. Honoring GOD
2. Personalized service –
 The Lorma Smile
3. Fine surgical and medical work
4. Learning professional management to improve services
 and efficiency
5. Patients are treated even if they cannot pay
6. Largest hospital-based Community Outreach Program in
 the country

Lorma Medical Center, Inc. today

(76 years old)

ISO-9001-2008 Certified

- 180 physicians
- 40 core specialists
- 148 beds
- 350 staff

Current Key Strategies

1. Honoring God in everything we do
2. Patient-Centered Care
3. Specialist and Integrative Medicine
4. Professional Management focusing on continuous
 improvement
5. Work with partner corp. with 40+ doctors
 for scanning and imaging services
6. Collaborate with Lorma Colleges
 for HR, Education, Paramedical Professions, Information
 Technology and Management
7. Continue complete admin. support for Community
 Development Foundation

Key Strategy # 1

Honoring GOD in everything we do

- our most important secret of success

Hospital chapel

How our hospital honors GOD

- Every new facility dedicated to GOD
- Full time chaplain
 - Visits and prays for patients
 - Gives daily hospital-wide evening message
 - Leads staff devotions

Daily evening message reaches all floors

**Bimonthly nursing service meeting
starts with a Spiritual time**

Service Excellence comes from the heart

**Enhanced by a Team Spirit,
Employee Satisfaction, and
Training in Service Excellence**

Key Strategy # 2

Patient-centered Care

Healing environment and service excellence

Patient-Centered Care

1. **Lorma smile**
2. **Service excellence**
3. **Caring staff with Christian concern**
4. **Concierge services**
5. **Patient satisfaction surveys**
6. **Training in Service Excellence**

Information Desk

with access to room intercoms, telephones,
loudspeaker system and two-way radios

Patient representative

Caring staff

The PLANETREE CONCEPT:

**Healing environment with
nurturing of body, mind and spirit**

**Healing Garden
Family lounge
Center Court**

Welcoming environment
In-patient suite

**Our most successful doctors
visit patients twice a day**

**All suites have
24-hour Internet and Cable TV**

Key Strategy # 3

Specialist and Integrative Medicine

- Core group of 40 Medical Specialists
- Medical specialty centers
- Imaging and scanning corporation
- Wellness and Integrative Medicine

Medical staff organization

- Medical director and 2 asst directors
- Executive committee
- Department heads
- Staff physicians and medical interns
- Family medicine residency program

Out-patient Registration

Pharmacy

Corporate services

**Outreach to companies and homes
Portable digital x-ray cassette**

Emergency Department

Operating room central area

Pass-over patient transfer ledge

OR doctor-family meeting room

Intensive care shared room

17-bed Dialysis Center

**Ceiling view in MRI room
Shared MRI / CT scan control room**

Digital image storage

Wellness and Integrative Medicine Center

Health education for the public

Health education session

Key Strategy # 4

Professional Management

- Learning from business and industry and visits to other hospitals
- Efficiency and productivity
- Staff empowerment and training

Efficiency and Productivity

Value of visiting other hospitals

- Rich source of innovation ideas
- Ex.: Baptist Hospital, Pensacola, FL

Integrated computer system serves all departments

(developed in-house)

Central Computer Systems Room

Computer programmers

Lorma-made system

Piped in Oxygen and Suction
to OR, ICU, ER and private rooms

Lorma-made headboard

with central oxygen and suction outlets,
call button, intercom and telephone

Well-equipped engineering and maintenance department

Electrical/electronic systems maintenance

Computer systems maintenance

Air conditioning maintenance

Welding

Carpentry

Painting

Upholstery

Staff Empowerment and Training

PEOPLE -- the most important asset

- Assist. Medical Director for staff development and training
- Training and organizational effectiveness officer
- Nurse training coordinator
- Research and Development Officer

Training for Service Excellence

Monthly meeting of department heads

New monthly Leadership Forum

- 32 leaders from 3 levels of leadership
- Main Agenda: to share what is going on
- Group elects employee-of-the-month
- Awarding of current employee-of-the-month

Monthly Leadership Forum
Two co-chairs rotate monthly
PowerPoint presentation by
two dept. heads at each meeting

Heliport Conference Room

Small group planning

Hospital Management Committee

- Ten senior hospital executives
- Make decisions and solve problems
- Meet every 2 weeks and as needed

International Standards Org. (ISO) accreditation

Accelerates management development
Lorma Medical Center and Lorma Colleges
accredited for latest version:
ISO 9001-2009

ISO accreditation focus:

Quality management system

- ***Document policies and processes***
- ***Implement plans***
- ***Audit and maintain performance***
- ***Continually improve performance***

ISO requirements:

1. ISO team organization
2. Approved documentation of:
 - a. *Quality Policy*
 - b. *Quality Management Manual*
 - c. *Policy and Procedures Manual*
3. Internal Management Audits

Lorma Quality Policy

**Our business is
Health Care and Education**

We aim for excellence in --

1. *Health services and patient care*
2. *Training of health personnel*
3. *Patient and family education and participation*

Our new VISION

Lorma Medical Center is
internationally recognized for
excellence in total health care
and continuous innovations with
the highest level of satisfaction for all.

MISSION

To provide the best quality in
personalized health care with
dedication, holistic approach
and Christian concern

Core Values

- Personalized service
- Christian concern for patients and staff
- Dedication
- Harmony and family-based relationships
- Clean, conducive environment
- Professional and technological growth

Top management priorities

1. Honoring God in everything we do
2. Customer satisfaction (patients, doctors, employees, and owners)
3. Personalized service with attention to spiritual, physical and emotional needs
4. Medical and professional excellence
5. Beautiful, clean and healthful environment
6. Patient and family participation in healing process

Key Strategies

1. Standards, systems, and procedures in every department
2. Staff orientation and training
3. Measure and share results
4. Continuous improvement
5. Rigorous maintenance
6. Educate and involve patients and families in the healing process

The Lorma Institutions

Ilocos Scanning and Imaging Corporation

A stock corporation organized with 40 doctors with Lorma Medical Center owning a controlling majority, owns scanning and imaging equipment providing these services to the hospital

Lorma Colleges: Founded 1970

Faculty and staff: 370

Schools: 14

Students: 4,000

Lorma Community Development Foundation, Inc.

(Founded 1984)

Our Public Health Imperative

We became convinced in the late 60's that "a hospital worthy of its name should reach out to the people in the communities that it serves – even those who do not go to it."

In response, we established a Community Outreach Division which later on became the Lorma Community Development Foundation

The Foundation has a separate Board and is the largest NGO in Region I. The hospital and colleges provide office facilities, admin staff, salaries and expenses.

Lorma Community Development Foundation, Inc.

Vision:

People enjoying a sustainable and better quality of life.

You cannot sustain Health
without Development

**(You cannot sustain Development
without Health)**

**Health and Development must progress
hand-in-hand**

Lorma Foundation annual meeting

Irrigation project

**New Goal: One million trees planted by poor
families in the next 10-20 years**

China connection

Five groups of senior Chinese hospital executives from various provinces have visited Lorma in the past 3 years

Facilitated 5 workshops in China

1. Beijing, May 2008
2. Zhengzhou, Henan Province, May 2008
3. Qiaojia, Yunnan Province, Sept. 2010
4. Xing'an, Guangxi Province, Sept. 2010
5. Luzhai, Guangxi Province, Sept 2010

Introducing my new Book:

Innovative Hospital Management – Success with Limited Resources

Rufino L Macagba, MD, MPH
281 pages

The only book in English today on hospital management
written from a developing country perspective

From 45 years of health management experience,
research and teaching in the Philippines
and travels to 80+ countries

Available from Amazon.com