

005: THE BUDGETING PROCESS AS A STRATEGIC TOOL FOR QUALITY IMPROVEMENT

Authors:

Baldantoni E., Bovo C., Boscolo M.R., Garbin F., Loffreda A., Trabuio D., Sanvitale G.

Objective:

To describe how we tried to improve 3 dimensions of quality (perceived, organizational and professional) in our Local Health Unit, through the use of the budgeting process, a managerial tool that brings together resources, objectives and results.

Methods:

Local Health Unit n. 14 of Chioggia, within a territory of 621 square km, includes 12 Municipalities with 128.300 residents. The payment system is by capitation with a global budget of 143.000.000 Euros. Primary Care is delivered, at District level, by 128 General Practitioners (GPs) and 17 Paediatricians, while Secondary Care takes place in 2 Hospitals, with a total of 600 beds. Employees number 1316: 203 Medical Doctors. Believing that change cannot be obtained without a strong effort to convince people of its benefits, and that this is strongly related to the dominant cultural image of the Organization, we have set a new organizational environment creating 17 Medical Departments with a senior Doctor as Head of each Department. Medical Departments bring together 37 different Operating Units, each with professional autonomy, but dependent upon its Department for the allocation of resources. The first step undertaken was an intensive learning programme, lasting 8 weeks, on Health Care management, economics and quality, targeted specifically at the Directors of Departments. Following this, the negotiating process was conducted by the Local Health Unit's Director of Medical Services and his Staff, with all the Directors of Departments, 2 at a time from the 2 Hospitals for benchmarking purposes. Objectives were targeted at improving quality as perceived by patients of each Units, trying to improve efficiency and effectiveness. The entire process lasted two months. The monitoring process undertaken at the end of the year, required one month to be completed.

Results:

Objectives were set into 4 areas: perceived, organizational and professional quality and cost reduction. For each objective we outlined the required actions and the indicators to measure performance. The Directors of Departments negotiated and signed a total of 104 objectives with the Director of Medical Services. A part of the so called result, salary has been linked to the level of performance of each member of the Operating Units, as a financial incentive. During the monitoring phase some corrective actions have been undertaken.

Conclusion:

By coordinating patient care across multiple functions, activities and Operating Units, the Health Care Management confronts many challenges to achieve an integrated delivery system, and the proper use of the planning process (strategic planning, program adaptation and budget formulation) can be of a great value. We put great effort into conducting the budgeting process in a short period of time, aiming at achieving both transparency and accountability. We believe that the budgeting process can affect the quality of patient care, and this is particularly important since, with limited resources, it is necessary to link quality with efficiency. The results, so far, are encouraging and we feel that what we did is a step in the right direction. The monitoring of performances has been helpful in telling us which corrective actions to implement, and how to conduct the budgeting process in the next year. Finally, the budgeting process can be seen as a framework that expresses the Local Health Unit's future strategic objectives. In our view the chart of the objectives is a picture of where our Organization is now, what we want to achieve, and where we want to go in the future.