

An Analysis Report on the Implementation of Medical Service Price Adjustment in a Public Hospital in 2020

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Abstract

In order to learn how the general reform of public hospitals compensates for the loss of medical consumables markups by medical service price adjustment, and to provide reference for the next step of medical service price adjustment, this paper used the difference analysis method to make a statistical calculation of the medical service price adjustment of a county-level general hospital for one year. Due to the price adjustment, the revenue of the public hospital was reduced by RMB 63,600 yuan, and the revenue of the cancellation of the medical consumables addition was reduced by RMB 3,234,900 yuan. The medical service price adjustment did not play a role in compensating the cancellation of the medical consumables addition. This paper analyzed the existing problems and causes, and put forward improvement measures and suggestions for the next step of medical service price adjustment.

Keywords: public hospitals, price of medical services, adjustment

1. Introduction

1.1 Background and Objectives

According to the guidance on cancellation the medical consumables addition to adjust the medical service price of public hospitals, combined with the medical service price adjustment document of the Medical Insurance Bureau and the actual situation of a public hospital, the cancellation of the medical consumables addition was implemented in December 2019, while adjusting the prices of some medical service items, and the price of some medical service items was adjusted again in May 2020. The specific adjustment contents are as follows:

In December 2019, the medical consumables addition was canceled, while 286 medical service items were adjusted and 207 prices were increased, and 65 items were used by county-level public hospitals; 79 items were downgraded, and 57 items were used by county-level public hospitals.

In May 2020, the prices of 1,184 medical service items were adjusted again, and 1,148 items were increased. 311 items were used by county-level public hospitals, and 36 items were reduced, and 36 items were used by county-level public hospitals.

By December 31, 2020, one year has passed since the cancellation of the consumables addition. In order to understand how the general reform of public hospitals compensates for the loss of medical consumables markups by medical service price adjustment, and to provide reference for the next step of medical service price adjustment. Research using difference analysis method of a public hospital medical service price adjustment to perform at the county level year situation to carry on the statistic.

1.2 Pricing Adjustment and Implementation of Medical Services

The county-level public hospital implemented the pricing of medical service items and the cancellation of the consumables addition policy involved in the medical service price adjustment (December 2019 and May 2020)

on time. In 2020, due to the reform of public hospitals, the county-level public hospital abolished consumables addition, reducing revenue by RMB 3,234,900 yuan. In December 2019, 65 of the 207 price increases of medical service items involved the use of public hospitals, increasing the amount of revenue by RMB 2,394,800yuan, and 57 of the 79 price reductions involved the use of public hospitals, reducing the amount of revenue by RMB 2,264,700 yuan. In May 2020, the prices of 1,148 medical service items were increased, and 311 items were used by the public hospital, increasing the revenue amount by RMB 1,000,200 yuan, and 36 items were reduced, and 36 items were used by the public hospital, reducing the revenue amount by RMB1,193,900 yuan. In 2020, the county-level public hospital reduced revenue by RMB 63,600 yuan due to price adjustment, and reduced revenue by RMB3,298,500 yuan due to price adjustment and cancellation of medical consumables markups. It can be seen that the adjustment of medical service prices has not played a role in compensating for the reduction in income caused by the cancellation of medical consumables addition. This public hospital is the comprehensive hospital with the largest medical service scale in the county, and it is also the most representative hospital for medical service reform in the county. It can introduce that the two medical charge price adjustments in December 2019 and May 2020 cannot achieve the expected purpose within the county.

2. Existing Problems and Analysis of Causes

From the actual implementation of the medical service price of the public hospital, there is an objective gap between the income of the public hospital and the measured situation. Specifically, the actual net increase of the two price adjustments was negative, which did not compensate for the cancellation of the medical consumables' income addition, but further reduced the income. By collecting, summarizing, sorting out and analyzing the related data of this medical institution, it is shown that there are great differences between the actual implementation and the expected goal of the policy adjustment.

(1) With the institutional reform and functional transformation, the new price measurement department lacks experience, and it is unreasonable to adjust the price based on the calculation data of only one year's work.

After institutional reform and functional transformation, the price setting department in the region was transferred to the medical insurance department. December 2019 was the first price adjustment of the medical insurance department after the functional transformation. The new price measurement department lacked experience, so the basic data of medical charges was only the data of 2018, and the price adjustment in May 2020 followed the data of 2018, without re-calculation. The one-year data itself is accidental and cannot reflect the actual situation of social and economic development and the rising demand of medical consumption. The calculation base of charge adjustment is based on historical data, which leads to the deviation caused by the low base. The total business revenue of the hospital was RMB 354,330,000 yuan in 2018, RMB 411,160,000 yuan in 2019, and RMB 442,620,000 yuan in 2020, an increase of 24.92 percent compared to 2018. It is unscientific and unreasonable to use only one year's historical data as the calculation base when making the future standard.

(2) The uneven quality of the measurement data provided by medical institutions led to the deviation of price adjustment.

On the one hand, various medical institutions are restricted by the economic level, technical strength and other conditions, and there are differences in the management methods and standardization of medical charges. Most of the medical institutions in the county have not set up full-time pricing departments and personnel, and the professional level is uneven. The informatization level of the charging system of medical institutions varies. When providing measurement data, the time is tight, the workload is heavy, and the data are operated by non-full-time professionals, resulting in deviations in the data provided. The general hospital in this calculation is restricted by the performance management plan of the hospital, and some charges are set according to the department. For example, blood gas analysis has four names: intracardiac use, emergency use, ICU use, and test use, and the four names of the same charge item coexist. Only the blood gas analysis data for test were counted during the statistical calculation, resulting in data omission and small measurement data.

On the other hand, the content of the income data reported by medical institutions is not completely consistent. Medical charges are adjusted for diagnosis and treatment charges, but drugs and consumables are not included. Some medical institutions do not drop the income of drugs and consumables in the income data reported by them, and the statistical quality of the measurement data is not uniform, which affects the quality of the measurement data and leads to the deviation of the price measured by the price department.

(3) Most of the price reduction projects were carried out by medical institutions, which directly led to a decline in income

Most of the items reduced in the two adjustments of medical service prices are those that the medical institution has already carried out and has a certain amount of business. In December 2019, consumables addition was cancelled and some medical charges were adjusted. Among the 79 items lowered this time, 57 items are used by the hospital, accounting for 72.2%, which has a great impact on the income of the public hospital as a whole. In

May 2020, the price was adjusted again, and 100% of the 36 items reduced were related to the use of the public hospital, including some surgical projects, and the decline of individual items was relatively large, which again led to the decline of the hospital's revenue.

(4) Many of the increase projects were not actually carried out. The price increase of the projects carried out is relatively small, and the realization of income increase is rare.

Due to the constraints of economic conditions, technical strength, equipment conditions and disease sources, most of the medical items raised in the two adjustments of medical service prices have not been carried out in this public hospital, so the increase in income caused by the price increase cannot be realized. Of the 207 items upgraded in December 2019, only 65 were used by public hospitals, accounting for 31.4 percent of the total. Of the 1,148 items raised in May 2020, only 311 were used by the public hospital, accounting for only 27.1%. Moreover, the price increase range was very small, with most of them being between 0.1 and 1 yuan. This part of the project is also less workload, although the standard has been raised, little increase in income.

(5) The price calculation takes the whole municipal district as a whole, the differences between district and county medical institutions are not fully taken into account.

The price adjustment of medical services was carried out twice, and the total volume control and structural adjustment were adopted for the whole municipal district. The differences between districts and counties within the jurisdiction and the strengths and weaknesses of medical institutions are less considered. The two price adjustments may have little impact on the income of the whole municipal district, but there are great differences among the medical institutions in different districts and counties. The county-level public hospital is one of the institutions that has seen a big drop in revenue.

3. Conclusions and Suggestions

The current medical service price adjustment needs to be improved and perfected, because it cannot achieve the desired purpose in the implementation process. In order to further improve and rationalize the price of medical charges, the following suggestions:

3.1 Differentiated Policies Should Be Adopted to Solve Prominent Problems

Due to the lack of staff, lack of experience, tight time, many projects and heavy tasks, the particularity and differences of mountainous areas and plains, economically developed areas and backward areas, medical institutions, the increasing trend of medical development and the growth of medical consumption demand have not been fully considered. The calculation of medical fee price adjustment should grasp the main contradiction, sort out the main items that affect and restrict the income of medical institutions, and measure, balance and adjust them in a targeted way. At the same time, the medical insurance reimbursement policy should be adjusted. Financial departments should be coordinated to give preferential policies to county-level public hospitals that have seriously unreasonable price-comparison relationship due to the adjustment of medical service prices, so as to mitigate the impact of the reform on medical institutions.

3.2 Unified and Standardized Charging Item Standards and Data Statistics Caliber; Improve the Quality of Measurement Data

In the past, medical institutions had inconsistent standards for implementing fees, medical institutions are short of professionals because of a chronic lack of training. Since relevant departments have begun to unify and standardize the content of medical services, they should strengthen the interpretation of project connotation and cultivate professionals through training and learning. We will further standardize the name, scope, content, quantity and price of medical services provided by medical institutions, and strengthen supervision over medical charges. To provide high-quality measurement data for the next dynamic adjustment of medical service prices, hospitals of the same level in the same region shall implement the same standard and unified caliber.

3.3 Good Coordination and Communication Among Departments, Linking the Upper and Lower Levels of Medical Fees

Sound medical fee items, reasonable medical fee prices and standardized operating procedures are the basis of medical institutions' standardized fees. The medical insurance department and the health care department should strengthen communication and coordination, unify the name and procedure of the operation standard of medical fees, and promote the standardized construction of medical fees. The price-setting department should make good connection between the charge standard and the charge standard of higher hospitals, unify the name and connotation of the charge items across the country, and match the price level with the hospital level and regional economic level.

3.4 Price Work Needs to Improve the Institutional Setting, Equipped with Professional Price Staff

The charge standard of medical institutions needs to be guaranteed by full-time professionals, and the statistical

and calculation staff needs to have the corresponding technical level and professional level, and need to fully understand the medical charge items. It is suggested that health and health departments and medical institutions should pay attention to it, improve the institutions and staff, meet the needs of price work, and promote the scientific and reasonable adjustment of medical service prices.

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