Priority setting in responding crisis: a hospital leaders’ perspective at the early stage of COVID-19 pandemic

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Abstract

Background: The COVID-19 pandemic hit Indonesia when hospitals were striving to adjust to a changing environment after a new health insurance system implementation, a government’s effort to achieve Universal Health Coverage. As a result, the pandemic forced hospitals to exploit their resources. Due to limited resources, setting accurate priorities is highly important to secure hospital operations and maintain its track towards the expected goals. This study aims to explore how deep the crisis impacts hospitals and how hospital leaders in Indonesia set their priorities in responding to the impact of this pandemic.

Methods: This study used a descriptive and analytical approach. Data were collected through an online survey from hospital leaders and several documentary sources.

Results: The results show that almost all hospital directors consider patient visits and hospital finance the most significant impacts of the COVID-19 pandemic. However, government hospital directors emphasize different areas compared to non-government hospital directors; the former sets their priorities on the hospital’s human resources, quality of service, and operations, while the latter focuses on the impact of patient visits and hospital finance.

Conclusion: Although directors of government and non-governmental hospitals have a different emphasis, their priority is the same, maintaining hospital sustainability to provide quality services to people. (Health Science Journal of Indonesia 2021;12(2):88-96)

Keywords: COVID-19 pandemic, hospital leaders’ perspective, impacts, Indonesia, priority setting.
Delivering quality health services while having limited financial and human resources has become a tough challenge for hospitals after the Covid-19 pandemic. Resources, in fact, are not unlimited and barely meet all needs, thus priority setting is obligatory. The COVID-19 pandemic, which began in Wuhan, China, at the end of 2019, was identified in Indonesia in early 2020. The pandemic spread rapidly and resulted in a high upsurge in the death rate worldwide.

The pandemic has not only caused a health crisis, but also impacted the global economy. Various efforts to deal with the virus transmission, especially by limiting human mobility, have enormously impacted numerous fields, including hospitals that have been directly affected. Studies worldwide report that hospitals experienced problematic situations in various areas, such as the declining of patient visits, financial losses, increasing mortality and pressures on healthcare workers, and disruption to hospital operations and service quality. This crisis then forced the hospitals to exploit all of their resources, thus threatening their sustainability.

Due to increasingly limited resources, carefully setting priorities is very important for the continuity of hospital operations and ensuring the hospital’s progress in the expected direction.

In fact, until August 2020, many hospitals in Indonesia only had limited resources, merely sufficient to meet the minimum hospital standards. It is shown from the hospital accreditation results, around 60% of hospitals in Indonesia had dasar (basic), perda (initial), and even not-accredited status. Under this circumstance, any disturbance to the organization, such as late payment claims from BPJS to hospitals in 2018 and 2019, in some cases could substantially impact the operational activities and threaten hospital operations. In reality, the disturbances caused by the COVID-19 pandemic have a huge direct influence on all aspects of hospital resources, primarily financial and human resources. In addition to the large costs incurred, a significant number of health workers who died raises concerns about the hospital’s sustainability.

Before the COVID-19 pandemic hit, hospitals in Indonesia were undergoing a major change in implementing a new health insurance system, the National Health Insurance as an effort to achieve Universal Health Coverage. Due to standardized rates and quality of the new insurance system, the hospitals that previously only focused on providing services had to carefully calculate the costs because they could no longer compensate service fees incurred on service rates. Unfortunately, the COVID-19 pandemic hit Indonesia just as hospitals in Indonesia began to adjust. This pandemic may endanger the sustainability of hospitals that are also at the forefront of achieving universal health coverage. Therefore, an empirical study needs to be carried out to find out how far COVID-19 affects hospitals and how hospital leaders in Indonesia set priorities in responding to the impact of this pandemic. Understanding hospital leaders’ response and their perspective on the effect of the COVID-19 pandemic on hospitals will help generate the hospital’s intra- and inter-organization policy to support the hospitals to continue operating and progressing towards the expected goals.

**METHODS**

This study applied a descriptive-analytic approach. Data was collected from hospital leaders through online surveys and several documentary sources. The online surveys were distributed on November 2020 through the WhatsApp group for alumni of the Postgraduate Program in Hospital Management, Universitas Brawijaya, Indonesia, which covers hospital directors and managers. The surveys were also forwarded to alumni colleagues who work as hospital directors. The online survey consists of close and open-ended questions. The close-ended questions aimed to measure the severity of the impact of the COVID-19 pandemic on hospitals in five areas, namely patient visits, finance, human resources, service quality, and hospital operations. Meanwhile, the open-ended questions aimed to explore what and why certain areas became top priorities for hospital leaders to resolve. Secondary data related to the COVID-19 condition were written based on government reports, official government websites, international organization reports, scientific literature, and online news articles. An ethics clearance was obtained from the Postgraduate Program in Hospital Management, Faculty of Medicine, Universitas Brawijaya, Malang Indonesia No.409.1/EC/KEPK-PPS/MMRS/2020 and informed consent was obtained from all respondents included in this study.

**RESULTS**

As many as 30 people, respondents of this study were directors of hospitals that have different characteristics. Most respondents (73.3%) were directors...
of non-government hospitals. The classes and numbers of the hospital beds were relatively varied, although most were class C (46.7%) and D (36.7%) hospitals, with the number of beds ranging from 51 to 200 beds (76.6%). Of all respondents, most (63.3%) were directors of COVID-19 referral hospitals. The characteristics of respondents’ hospitals are presented in Table 1.

Table 1. Characteristics of respondents’ hospital

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ownership</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government</td>
<td>8</td>
<td>26.7</td>
</tr>
<tr>
<td>Non-Government</td>
<td>22</td>
<td>73.3</td>
</tr>
<tr>
<td>Class</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Class A</td>
<td>1</td>
<td>3.3</td>
</tr>
<tr>
<td>Class B</td>
<td>4</td>
<td>13.3</td>
</tr>
<tr>
<td>Class C</td>
<td>14</td>
<td>46.7</td>
</tr>
<tr>
<td>Class D</td>
<td>11</td>
<td>36.7</td>
</tr>
<tr>
<td>Bed number</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Up to 50 Bed</td>
<td>1</td>
<td>3.3</td>
</tr>
<tr>
<td>51 to 100 Bed</td>
<td>13</td>
<td>43.3</td>
</tr>
<tr>
<td>101 to 200 Bed</td>
<td>10</td>
<td>33.3</td>
</tr>
<tr>
<td>201 to 300 Bed</td>
<td>4</td>
<td>13.3</td>
</tr>
<tr>
<td>More than 300 Bed</td>
<td>2</td>
<td>6.7</td>
</tr>
<tr>
<td>COVID-19 Referral</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Referral</td>
<td>11</td>
<td>36.7</td>
</tr>
<tr>
<td>Non-Referral</td>
<td>19</td>
<td>63.3</td>
</tr>
</tbody>
</table>

The cross-tabulation results (Figure 2) show a similar response between government and non-government hospital directors on the impact of the COVID-19 pandemic, namely in the aspects of patient visits and hospital financial conditions (Figures 2a and 2b).

Figure 1. Directors’ response regarding COVID-19 impact on hospitals

All directors of government hospitals (100%) and almost all directors of non-government hospitals (91%) stated that patient visits were affected and severely affected by the pandemic. Meanwhile, most of the directors of government hospitals (75%) and non-government hospitals (77%) also expressed a similar impact of this pandemic on hospital finance. Figures 2c, 2d, and 2e revealed that the responses of the directors of government and non-government hospitals were quite diverse regarding the pandemic impact on human resources, service quality, and hospital operations. The proportion of government hospital directors who thought that COVID-19 had no significant impact on the quality of hospital services and operations was almost the same as the proportion of directors who thought the opposite.

The impact of the COVID-19 pandemic on hospitals

The research results revealed that the COVID-19 impacted the hospitals in various aspects and at different levels. Most hospital directors (93%) stated that patient visits to hospitals were significantly affected (moderate and severely affected) by the Covid-19 pandemic. It is related to the majority (77%) of directors’ statements that this pandemic had a significant impact on the hospital’s financial condition. Similarly, hospital human resources and service operations were also significantly affected. Meanwhile, although the biggest proportion was unaffected (33%), the directors’ response regarding the impact of the pandemic on service quality was fairly equal, starting from not being affected to being severely affected. A more detailed description of the directors’ response is presented in Figure 1.

The cross-tabulation results (Figure 2) show a similar response between government and non-government hospital directors on the impact of the COVID-19 pandemic, namely in the aspects of patient visits and hospital financial conditions (Figures 2a and 2b).
Meanwhile, slightly more non-government hospital directors (59%) considered that the quality of their hospital services was not significantly affected. In contrast, most non-government hospital directors (64%) believed that the pandemic had a significant impact on hospital operations. Different responses between government and non-government hospital directors were noticed in the pandemic impact on hospital human resources. Most government hospital directors (63%) stated that this pandemic had no significant impact on hospital human resources, while most non-government hospital directors (82%) argued contradictorily.

Although the response of government hospital directors about COVID-19 pandemic impact on hospitals on patient visit and finance aspects was similar to those of non-government hospital directors, the results of this study indicated that their priorities were different (Figure 3). Most government hospital directors (62.5%) stated that human resources, quality of services, and hospital operations were their priorities, while the rest (37.5%) prioritized visits and finance. In contrast, non-governmental hospital directors preferred visits and finance as their priorities (59.1%) than those who prioritized human resources, quality of service, and hospital operations (40.9%).

Figure 2. Response of the Directors of Government and Non-Government Hospitals on the impact of COVID-19 on hospitals

Figure 3. The main priorities of government and non-government hospital directors on the impact of COVID-19 on hospitals
Reasons for selecting impact priorities

The reason of the government hospital directors to prioritize solving problems on human resources, quality of service, and hospital operations seemed related. One of the hospital directors argued that COVID-19 exposure on staff had a far-reaching impact on the hospital. In fact, hospital human resources are the primary executor to carrying out hospital service activities. According to the directors, the key to resolving other existing problems was fixing the hospital service operational issues. Also, the hospital service operation is under the control of hospital managers as hospital policymakers, so they can overcome those difficulties. The hospital director also stated the priority issues affecting hospital operations and service quality were the ease of obtaining personal protective equipment and health protocol application. Meanwhile, some hospital directors who prioritized finances and hospital patient visits argued that patient visits significantly affected hospital revenues. Further, the director said that efforts to overcome decreasing patient visits were not easy, so they must be prioritized. Also, other directors stated that patient fear was the cause of the decreasing patient visits.

Meanwhile, the determination of the impact on patient visits as the priority by non-government hospital directors was mainly based on the impact size on the hospital’s financial condition. The non-government hospital director stated that patient visits were the hospital and staff income source. The director’s primary consideration in dealing with the pandemic impact on the patient visit was to immediately restore hospital’s financial stability because the impact affected the performance and sustainability of hospital operations. Others argued that they prioritized overcoming patient visits because the efforts to gain patient visits were not easy since it required time and resources. The directors stated that gaining patient visits was constrained by the lack of communication space between hospital and public and the growing stigma in the public that hospitals were a prone place for COVID-19 transmission. Situations become increasingly difficult because people believed that many patients were “di-COVID-kan” by hospitals to get financial benefit from treating COVID-19 patients. The term “di-COVID-kan” means the patients are forced to admit that they are diagnosed as COVID-19 patients although they are not. Figure 4 presents a map of the reasons for non-governmental hospital directors in setting patient and financial visits as top priorities.
Meanwhile, several non-government hospital directors prioritized aspects other than patient visits and finances. They select human resources and service operations which in turn aim for the continuity of hospital operations. Some directors’ focuses were meeting the needs for medical equipment and materials for COVID-19 screening, protecting staff and patients, and optimizing adaptation and innovation efforts. The aims of directors that set priority on fulfilling COVID-19 screening materials and medical devices were to ensure smooth, quick, and precise services, in addition to protecting the staff and patients. Further, the protection of patients and hospitals is the director’s concern because patient care is the main goal of health services and the hospital staff is the primary executor in delivering services to patients. The hospital directors argued that when more human resources and patients were exposed and more resources were needed, it disrupted hospital sustainability. Figure 5 presents a reason mapping why non-government hospital directors set priorities other than patient visits and finances.

**DISCUSSIONS**

According to all directors of the government hospitals and non-government hospitals, the most severe impact of COVID-19 is the decreasing patient visits and hospital financial problems. A decrease in hospital patient visits also means a reduction in revenue for the hospital. Moreover, decreasing visits occurred in almost all units, including outpatient, elective, and surgical services, which are significant income sources for hospitals. Based on the statement of hospital leaders, this decrease in hospital income further disturbed many other aspects, such as decreasing income of health workers and disruption of service operations due to financial difficulties. This shows that the conditions are similar to hospitals around the world that also suffered from such impacts due to the pandemic. The decrease inpatient visits was caused by restriction or reduction in general public activity, which has even led to a world economic recession and impacted almost all forms of business. In addition, the decrease in visits was caused by the Indonesian government policy at the beginning of the pandemic, which limited non-emergency hospital services. This condition threatens the financial sustainability of Indonesian hospitals which were struggling to adjust to the changes in the new payment system. In fact, for American hospitals that have long adapted to payment reforms, the crisis has still created financial challenges.

Nonetheless, the study results revealed that the leading cause of the decrease inpatient visits was due to patient fear. It can be seen from the results of open-ended questions, which show that patient fear is a factor in decreasing patient visits. This
fear has arisen in Indonesia since the beginning of the pandemic. This patients’ fear resulted from the circulating stigma that a hospital is a place of COVID-19 transmission. The public thinks that contact with healthcare and healthcare workers is very risky of transmitting COVID-19. However, government policies limiting hospital services for non-emergency cases in the early days of the pandemic may also become the cause. The service limitation reinforces the stigma for the public that hospitals are places of COVID-19 transmission. Besides, patient fears also come from the issue that health workers or hospitals are looking for profit by caring for COVID-19 patients. It makes people afraid to obtain medication in the hospitals because they are scared of being “di-COVID-kan”. This situation was worsened by statements from a government official and a member of Dewan Perwakilan Rakyat or the House of Representatives of the Republic of Indonesia regarding this problem, so that public opinion seemed justified. Unfortunately, one of the directors mentioned that the hospital only has limited space to communicate and convince the public not to be afraid of going to the hospital.

This shows that the leading cause of the decreasing patient visits is the people’s fear of going to the hospital, and this is mainly because of the circulating negative stigma. This critical situation should be taken into consideration by many parties, including government and hospital management. The government or its officials can provide support for hospitals in the form of forethought in making statements for the public and supported by clear policy formulation, which can strengthen public trust. At the same time, hospital management should be more active in communicating with the community to regain trust.

All government hospital and non-government hospital directors agreed that the aspects affected mainly by the COVID-19 pandemic were patient visits and hospital finances, but they set different priorities. Government hospital directors focused more on dealing with human resource issues, service quality, and operational services in the hospital than problems on visits and finances. In contrast, non-government hospital directors preferred to prioritize patient visits and financial issues. It is possibly because government hospitals have a more secure financial condition. Besides income from patient visits, government hospitals obtain a cash flow from the government for human resource salaries and capital expenditure, such as hospital facilities and infrastructure and medical equipment. On the other hand, non-government hospitals rely on revenue from hospital operating activities to finance their hospital operations. Thus, it is understandable that non-governmental hospital directors prioritized patient visits and hospital finances.

Although government and non-government hospital directors set different priorities due to the pandemic impact, their priority setting is for the hospital operation continuity. The directors’ attention on protecting the human resources aims to secure the main components of hospital service providers so that the hospital can survive and continue to operate to serve patients even in the pandemic condition. Likewise, the directors who prioritized patient visits and finances argued that patient visits were the source of hospital revenue. Financial disruption will impact the hospital’s performance and its continuity. The current difference in prioritization indicates that it is not merely due to the difference in profit orientation between government hospitals and non-government hospitals but also on maintaining hospital operations.

This study has limitations. This study shows the views of hospital leaders at the time of collecting data which was in the early stage of the pandemic. Thus, careful consideration is needed in understanding and using the conclusions of this study. As the pandemic situation continues changing rapidly, further study will be needed to explain the changing phenomena. Researchers can consider the urban-rural and geographical distribution of the respondent and hospital location in collecting data and discussing the result as those differences may affect the response of hospital leaders; thus it may potentially give a different picture.

In conclusion, this study shows that the impact of the COVID-19 pandemic is inevitable for hospitals. The heaviest impacts revealed by the hospital directors are the decreasing patient visits and financial problems. Other areas affected are human resources and hospital service operations. Hospital directors set priorities differently based on the areas affected. Government hospital directors prioritize the impact of human resources and service operations, while non-government hospitals tend to focus more on the impact of patient visits and hospital finances. However, the reason for setting these priorities in general is for securing the hospital operations to continue providing health services for the country.
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Conflict of Interest

All authors declare that there are no significant competing interests that might have affected the performance or presentation of the work described in this manuscript.

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