

# The Operational Opportunity Improvement about Hematology Department in China with Medical Reform

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**ABSTRACT.** *The operation of hematology department seems not good in China based traditional accounting system and performance evaluation. However, the cost of hematology development such as the human, financial, materials, equipment and other conditions are really relatively high. So the investment in hematology department often showed hesitant cautiously. How to find the opportunities to improve the operation of hematology department based the adjustment of China medical policy reform is very important for medical reform and development of hematology for all over the world.*

**KEYWORDS:** *Medical reform, Policy of medical reform, Operation management, Hematology department*

## 1. Introduction

With the continuous deepening of China's medical reform and increasing coverage of the population about medical insurance and NCMS, and the acceleration rapidly of aging society; the chronic diseases and tumors has been increased by the technology of disease diagnosis and treatment development rapidly The contradiction between the key discipline of the development and survival of public hospital and sustainable payment of medical insurance management demand; the contradiction between the development of disease diagnosis and treatment , more tumors and chronic disease patients need more powerful support from medical insurance increase prominent. The hematology department is the most prominent for its special construction for patient care.

## 2. The Environment and Policy of China Medical Reform

China began medical policy reform and built medical insurance system since the end of the last century, China's medical reform has been mainly pay attention to be compatible with the socialist market economic system and on the basis of the affordability of government, enterprises and individuals. and the basic principle is the guarantee level should follow the productive forces in the primary stage of

socialism. The China's medical reform abide the principle of broad coverage, basic and sustainable protection. the task of medical insurance management start from major illnesses ,gradually extending to outpatient minor illnesses, and improve the protection level constantly. For serious diseases, malignant tumors, organ transplantation, joint replacement, intensive care and other difficult critical patients often in the development of diagnosis and treatment technology, but also bring about the rapid increase of medical costs. On the other hand ,the medical insurance institutions ,which task of fund-raising and management, have to meet the gap between the growth rate of financing capacity and the growth rate of medical expenditure is widening day by day. There are so many cities meet deficit about medical insurance funds management, which result in several conflict to reduce the right of medical insurance patients. The China medical reform change the payment model of medical insurance from base medical service item to base DRGs, which in order to change from the mode of administrative management to the mode of detail cost control.

### **3. The Operational Characteristic of Hematology Department.**

The characteristics of the Department of Hematology mainly treats patients with blood system and lymphatic system problem. These patients are characterized by acute onset, complex diagnosis, serious illness, long average length of stay, high drug proportion(0 percent addition in China for drug ) low bed daily benefit and so on. Because the diagnosis and treatment of patients involves the classification of blood cells, staining, genetic examination, and a large number of high-cost diagnosis and treatment methods such as stem cell transplantation, clinical blood transfusion, targeted therapy, use of laminar flow room, and so on, in the process of diagnosis and treatment, the cost of drugs, consumables and reagents is very high also. Compared with the current other medical service items, the effective balance of the hematology department is extremely limited. the operation of hematology department is basically in a state of loss. With the continuous rise of reasonable expenses, such as personnel salary, training cost, continuing education and so on, the treatment and operation management of hematology department is becoming more and more difficult.

### **4. The Opportunity for Hematology Department by Medical Policy Reform**

#### ***4.1 The Adjustment of Medical Insurance Policy***

The public hospital have to transfer the contradiction to clinical department for too complexity and various to solve. The clinical department have to balance the contradiction between policy and development for limited resource. In consideration of the malpractice of the original medical insurance payment system by prospective payment of total amount system, fee for service, the medical insurance improved to pay for the hospital by different disease code with ICD-9 and ICD-10 coding(DRGS-PPS).The hospital could carry out performance evaluation and

management based on DRG weigh and CMI. The hematology department can be benefit from DRG payment for reasonable price for disease weigh based on the characteristic for difficulty and technology weigh data, not only false item price. As a result, the hematology department find it is possible to obtain the reasonable and effective balance by control cost and adjust the construct of disease with better initiative. The CMI reflect the quality and difficulty of hematology service, and supply an useful horizontal comparison index for hospital, which makes the former discipline seen weaker operation and management become better and representative, and supply higher score for hospital when performance evaluation comparison. So the hospitals are willing to invest resource to develop the department, it also guides the resources of the hematology to critical and difficult cases.

*Table 1 the Different Score for Disease of Hematology and Other Disease, from Gd Province, Qycity, Medical Insurance Payment System*

Serial number	ICD-10 code	Disease name	Operation code	treatment	score
2477	K80.0	Calculus of gallbladder with acute cholecystitis	2	Laparoscopic cholecystectomy	235
2483	K80.2	Calculus of gallbladder without acute cholecystitis	2	Laparoscopic cholecystectomy	147
4557	T86.0	Bone-marrow transplant rejection	0	Expectant treatment	510
562	C91.0	Acute lymphoblastic leukaemia	6	Hematopoietic stem cell transplant	4751
574	C92.1	Chronic myeloid leukaemia	6	Hematopoietic stem cell transplant	4283

*Table 2 Patients Drgs Data of Gd Province,2017*

Serial number	DRG name	weigh	quantity	Average fee(RMB)	ALOS (day)	Drug proportion(%)	Consumable proportion(%)	Death risk level
5	AG19-Allogeneic hematopoietic stem cell transplant	15.07	995	127,430.01	28.52	38.61	3.26	Middle high
6	AG29-Autologous hematopoietic	12.75	197	105,683.80	28.72	38.05	4.13	Middle high

	stem cell transplant with purging							e
375	HD35-Laparoscopic cholecystectomy, without CC	1.61	15677	18,005.91	7.20	20.97	19.67	No death
322	GD23-appendectomy, with CC	1.35	3610	14,456.61	7.85	23.89	13.75	Middle low

#### 4.2 The Application of New Projects.

The new policy takes into account the positive role of new technologies and new diagnosis and treatment programs in clinical practice, and may improve the service quality of medical institutions, unify the same target of medical insurance and medical institutions service. the health administrative departments of the government. pricing departments and medical insurance agencies ,public hospital work together to decide the price pay for new technology and service. Since 2018, the application policy for new clinical projects has been introduced, and there are certain test samples for the clinic, and combined with specific diseases, or specific examination methods, new technologies and new projects that can help in the diagnosis and treatment of diseases have been discussed and approved by the government to provide reference prices for trial implementation in public hospitals. If patients can benefit from it, after evaluation, combined with the pay ability of the medical insurance fund, Conditionally included in the scope of health insurance payments. For departments with more advanced technologies, such as the hematology department, this policy can be carried out infrequently, but the quality control tests related to the diagnosis and treatment programs of the hematology department and the key steps of transplantation are applied and charged. Compared with some specialist examinations belonging to the hematology department in the past, due to special requirements such as sampling, environment, and inspection conditions, they are often done in their own laboratories. The items that can not be charged will become the embarrassment of the improvement of medical quality and the limitation of discipline development. Combined with the management and accounting methods such as 'hospital financial management system' and 'hospital accounting management system', and referring to the method of project cost accounting, pricing based on cost accounting data is a pricing scheme that can be accepted by the development and reform department at present. Under careful consideration, in the trial phase of the new scheme, it will be dealt with at its own expense. After a one-year observation period, according to the same diagnosis of ICD-10, before and after the implementation of the ALOS and treatment costs, ratio of self-supply for medical fee and CC percent of the occurrence of RCT comparison, to carry out a scientific data, to determine the proportion of medical insurance payment and pricing of the project., or the new price if be accept by

medical insurance. At present, the policy has assisted the Hematology Department in the research and development of some new technologies with the support of fees, and has also been scientifically guided in the evaluation, especially for the quality and development of the Hematology Department, the government has provided a very suitable policy environment.

#### ***4.3 Cost Control and Performance Management***

with the implementation of hospital and department performance appraisal policy, for the hospital structure, service volume, diagnosis and treatment quality, diagnosis and treatment efficiency of the performance appraisal system emerge in frequently, especially the government promote DRGS at the same time, DRGS brought about by the quality and cost management from the hospital and department to the medical service team and doctors, nurses individual. For the management of chargeable consumables and non-chargeable consumables, for the contradiction between cost control and quality and process, in the standardized operation procession, for several operation steps at the same time, the accurate synchronization in the operation guidance is not only gradually improved in quality, but also reduced the direct cost of the project in accounting caliber because of the improvement of efficiency. Especially for the new project, under the condition of the continuous growth of the quality of case data, the market attracts more and more patients, the process medical service is becoming more and more mature, and the service time will be shortened obviously. and the increase in the number of patients is bound to increase the number of examinations, according to the principle of procurement, the department can control the cost, and provide greater possibility for the effective balance of the department.

#### **5. Summary**

For the operation of the Department of Hematology, like the mission at the beginning of its establishment, the patients need care always difficult and critical. For the operation and management of the Department of Hematology, due to the special high drug ratio, the obvious distortion of service price and cost, the patients in the original medical insurance payment policy are generally in the operation characteristics of longer ALOS, higher daily average cost, low bed efficiency, before DRGS promoted. combined with the payment model of DRGS in China., As well as the new projects application policy beginning, the MDT management mode of performance evaluation and cost control, the difficult problem of operation and management of hematology department is expected to be improved in the environment of medical reform in China. This kind of management experience can also be used as a reference for other disciplines in hospital. China's experience in medical reform also hopes to be used for reference by the other country medical reform.

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