Improving Customer Satisfaction: Implementing Decentralised Inpatient Discharges At Ward Level

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Abstract: *Before January 2009, inpatient discharges were done through central discharges system at the ground floor of finance department. Effective January 2010 a new decentralise inpatient discharges system at wad level was implemented . Before the implementation of the new system, data were collected from July 2009 to December 2009 on the total number of feedback form received, number of complaint on hassle of discharge and complaint of long waiting time. After the implementation of the new system, the same data were collected from January to June 2010. The two set of data were compared to see the impact of the new discharge system. Further monitoring was done by collecting data for the first six month of 2011 and the first six month of 2012.Based on the data collected it was found that for a period of July to December 2009, 295 complaints on hassle of discharges and 46 complaints on long waiting time. For the period from January to June 2010, there was no complaint on the hassle of discharges but 38 complaints on the long waiting time. Further monitoring was done from January to June 2011 and it was found that there was no complaint on the hassle of discharges but complaints on the long waiting time had reduced to 8 cases. For the period from January to June 2012, there was no complaint about the hassle but only 6 cases on the long waiting time. Revenue of the hospital grows by 35% from year 2009 to 2012 and PBT grows by 250% from year 2009 to 2012.*
Key Words: *hospital discharges, patient complaints, financial growth*

I. Introduction

KPJ Seremban Specialist Hospital with 145 beds is a private hospital in Malaysia which belong to KPJ Healthcare Berhad, the biggest change of private hospital in Malaysia. This hospital is a five storey building which started business in November 2004 for Emergency services and January 2005 for inpatient and outpatient services. This hospital was able to achieve breakeven in less than three years. Before end of 2009, patients' discharges were done through central discharge counters located at the ground floor. All patients or relatives have to go down to settle their bills upon discharges .Based on the patient's feedback received, many complaints on the hassle of going up and down during discharge and on long waiting time to settle the bills. Therefore in order to improve patient's experience, the hospital had implemented the new system of discharges by doing discharges at ward's level. The new system was implemented on 1st January 2010. Patients or relatives can settle their bills at the counter of every ward. For patients who can't walk, the ward staff will go to their rooms to process the bill.

Patient satisfaction may be an element of health status and is a highly desirable outcome of clinical care in the hospital (Donabedian, 1998). The American Customer Satisfaction Index (fortune 1998) gave hospitals an overall 67% satisfaction rating, ranking 27th out of 31 industries. This ranking placed hospitals 10 percentage points below the tobacco industry and just above the Internal Revenue Service. 80% of respondents believe hospitals cut corners to save money, and 77% believe that these cuts have endangered patients as being reported in a National Coalition on Health Care survey. Patients who had been admitted to academic health centers and teaching hospitals generally reported more problems than those cared for in community hospitals.

To create a culture of customer service excellence in hospitals and achieve outstanding patient satisfaction, it is necessary to understand the intangible aspects of perception and expectation that contribute to patient satisfaction. The "First Law of Service" provides a useful, simple mathematical model of satisfaction (Maister, 1984). The formula for this model is Satisfaction = Perception – Expectation. There will be a corresponding degree of satisfaction if a patient's perception of their hospital experience meets or exceeds the expectation,. However there will be resulting dissatisfaction, if the perception does not meet the expectation. Thus, patient satisfaction results from meeting or exceeding patients' expectations. Patient perceptions of care can be measured directly from patient satisfaction surveys, focus groups, and telephone surveys. A hospital's reputation and market share are indirect measurements of patient perceptions. There are 2 main directions in which patient satisfaction can be influenced: by working on what the patient perceives and on what the patient expects.

Customers act like detectives in the manner in which they process and organize experience clues(Berry , 2004). Consumers' emotional feelings about a specific consumption experience is called satisfaction(Oliver 1997). The main beneficiary of a good health care system is clearly the patient which focus on health care delivery system . The long term survival of hospitals depends on loyal patients which come back or recommend the hospital to others. Patients have more choices now than they did in previous eras although the costs of switching hospitals are quite high. Delivering patient satisfaction is important as a strategic variable and are crucial in determinant of long term viability and success (Makoul et al. 1995;).

From the management perspective, patient satisfaction with health care is important for several reasons: First , satisfied patients are more likely to maintain a consistent relationship with a specific provider.

Second, satisfied patients are more likely to follow specific medical regimens and treatment plans. Third, by identifying sources of patient dissatisfaction, an organization can address system weaknesses and improve its risk management. Fourth, it adds important information on system performance which contribute to the organization's total quality management (Braunsberger 2002) .

Customer satisfaction is becoming a widely embraced measure of how well the enterprise is doing. Customer satisfaction is a measure of how products and services supplied by a company meet or surpass customer expectation; It focuses on measuring customer perception of how well the Organisation delivers on the critical success factors and dimension of the business. These usually include factors such as service promptness, quality of service, product offered, staff responsiveness and understanding customers problems and providing solutions. Based on the study conducted by (Ngatia, 2013) , the challenges faced by NHIF customers were: long queues during payment, offices are crowded and few in town, slow operations, some hospitals are not covered, for instance, some private hospitals, children above 18 who are dependants are not covered by NHIF and also that NHIF does not cater for outpatients. The study recommends that: NHIF should have many offices to cater for the rising number of its customer and also come up with a system that ensures people do not queue for long periods of time without being attended to; NHIF should come up with covers for people with more than One spouse as well as for children over the age of 18 who are still under the care of their parents; among other recommendations.

Hospitals in the developed world recognize the importance of delivering patient satisfaction as a strategic variable and a crucial determinant of long term viability and success (Makoul ,1995) .Incorporating patient views into quality assessment offers one way of making health services more responsive to people's needs.

The other side of the satisfaction-loyalty link is the link between dissatisfaction and loss of revenue due to patients who switch providers or hospitals. Through the Healthcare Financial Management Association (HFMA), Zimowski (2004) reports that for every one customer who complains, 20 dissatisfied customers do not; of those dissatisfied customers who do not complain, 10% will return but 90% will not ;changing a poor customer service image takes 10 years on average ;It costs 10 times as much to attract new customers as it does to keep current ones ;about 10% of revenue is lost to poor customer service ;the average "wronged" customer will tell 25 others about the bad experience.

Objectives:
1. To compare the outcome of the new process compared to the old process immediately after the implementation of the new process
2. To compare the outcome of the new process for year 2011 and year 2012.
3. To see the impact of customer satisfaction on revenue growth

II. Methodology
A retrospective study was conducted from July 2009 to June 2010. Following the implementation of the new system, further collection of data were done for year 2011 and year 2012 to see the outcome of the new process. All patients admitted will be given a feedback form. Collection of the forms will be done on daily basis.
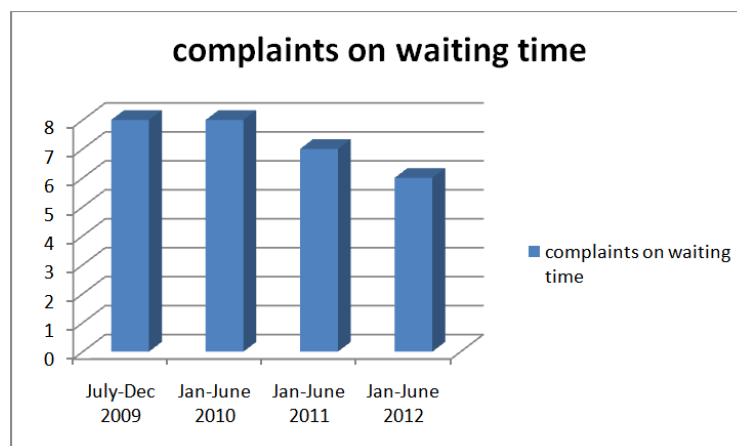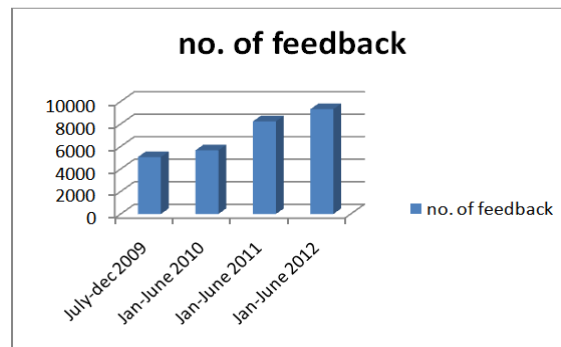
Feedback forms that had been collected will be tabulated accordingly based on the rating. The number of complaints related to the hassle of discharge process and waiting time were collected and tabulated to get a comparison between the old system and the new system. Data were collected from July 2009 to December 2009 (before the implementation of the new process) and from January 2010 to June 2010 (after the implementation of the new process). Further monitoring of the data was done for the first six months of year 2011 and 2012.

III.   Results
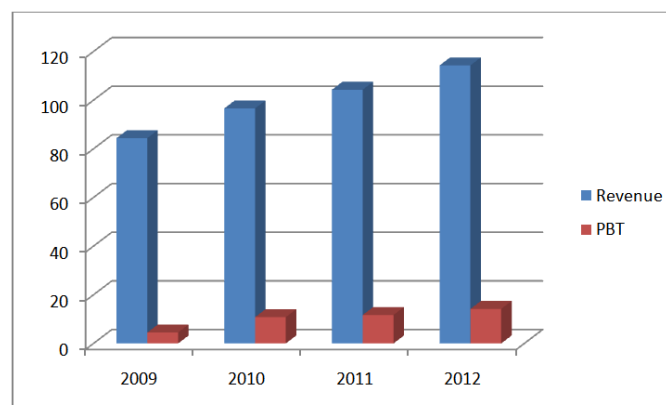Data were collected based on the feedback forms received by customer service department.

	July-Dec. 2009	Jan-June 2010	Jan-June 2011	Jan-June 2012
No. of feedback	5,060	5,657	8,232	9,315
Complaints on hassle of discharge process	295	NIL	NIL	NIL
Complaints on long waiting time	46	38	8	6

Note: Complaints on long waiting time came from patients using insurance medical card.

Revenue And Profit Before Tax(Pbt)

	2009(RM)	2010(RM)	2011(RM)	2012(RM)
Revenue	84,445,232	96,651,977	104,380,122	114,315,468
Profit Before Tax(PBT)	4,591,035	10,816,684	11,761,115	14,250,479

IV.   Discussion

This hospital is a five storey building where wards are found at level two, level three and level four. From year 2005 to year 2009, inpatient discharges are done at Ground level of the Finance department. All patients or their relatives are required to go to the central discharge counters at the ground floor to settle their bills when they are discharged. With this system patients found a lot of difficulties to go down from the wards to the ground floor especially when patients are not able to walk or not accompanied by their relatives. Once they had settle their bills they have to go back again to the wards to collect their belonging and their medications because dispensing of medications are done by nurses at ward levels. Therefore the central discharge system at the ground floor had created a lot of hassles to our customers and we had received quite substantial amount of complaints from our clients.

After reviewing the system thoroughly, the management had decided to implement a new system of inpatient discharges by decentralising the inpatient discharges. For the new system inpatient discharges are done at wards' level .Every ward will have a discharge counter. Therefore the management had built discharge counters at ward Sri Menanti(maternity ward)at level two which cater patients from ICU/CCU and maternity ward. Counters are also available at level three in ward Sri Selasih(medical ward) and ward Sri Delima(surgical ward). At level four counters are available at ward Sri Angkasa(paediatric ward) and Sri Cempaka(surgical ward).The decentralised system was implemented in January 2010.

Patients' feedback were collected from July 2009 to December 2009(before the implementation of the new system) and from January 2010 to June 2010(after the implementation of the new system).

From July 2009 to December 2009 , 5,060 feedback forms were collected. 295 patients complaint about the hassle of discharge process and 46 patients complaint about the long waiting time for discharges.

From January to June 2010, 5,657 feedback forms were received . However there was no complaint about the hassle of discharges and only 38 complaints about the long waiting time. The long waiting was mainly due to the late respond by the insurance companies. In Malaysia, when patients are using Insurance medical card, the hospital is required to fax the final bill to the insurance companies for verification of the final payment. This process will normally take about two hours and nothing much the hospital can do to speed up the process.

Therefore in order to minimise the complaint patients will be informed by staff upon their admission to the ward and re-informed by staff upon their discharges about the waiting time required to process the bill. With the information given to patients we managed to reduce the number of complaints. However there are still a small number of patients who still can't accept the long waiting time. This can be seen from the data collected in year 2011 and year 2012. From January to June 2011, 8,232 feedback forms were received with 8 patients complaint about the long waiting time and all of them are using insurance medical card. 9,315 feedback forms were collected from January to June 2012 with 6 complaints received from patients for a long waiting time . All those patients are also using insurance medical card.

Improving customer satisfaction will facilitate the organization to achieve continuous business growth. KPJ Seremban had enjoyed the financial growth with continuous customer support which is reflected in the continuing growth of revenue and profit before tax. From the data we can see the continuous growth of the revenue from RM 84,445,232 in year 2009 before the implementation of the new system to RM 96,651,977 in year 2010 after the implementation of the new system. The revenue further grow to RM 114,315,468 in year 2012. The growth of revenue was followed by the growth of profit before tax (PBT) from RM 4,591,035 in year 2009 to RM 14,250,479 in year 2012.The grow of the revenue was 35.7% from year 2009 to year 2012 where as the grow of PBT was 250% from year 2009 to year 2012.

The continuous growth enjoyed by KPJ Seremban is in line with studies done by researchers. In a study done by (Harkey and Vraciu 1992) it was found that in 82 hospitals, a 1% standard deviation change in the quality score resulted in a 2% increase in operating margin . Another study of 51 hospitals found that approximately 30% of the variance in hospital profitability can be attributed to patient perceptions of the quality of care (Nelson et al. 1992). Greater service utilization and risk management is link to Press Ganey measures (Burroughs et al. 1999; Press 1983, 1984).Reputations are built over time as word of mouth spreads throughout a community. When Press Ganey analyzed clients' patient satisfaction in 1999, and then subsequent changes in patient volume between 2000 and 2004, the results were stunning. Hospitals with patient satisfaction in the 90th percentile experienced nearly a third increase in patient volume – or, on average, an additional 1,382 patients per year. For hospitals with patient satisfaction in the bottom 10th percentile, the average volume decrease was 17% or 2,599 patients. In other words, hospitals with high Press Ganey scores were likely to see an increase in volume. Hospitals with low scores were likely to see a drop. Positive experiences will promote a stronger customer base and increased market share where as negative experiences will diminish your gains. For every patient who voices a complaint about his or her care experience, there may be as many as 20 dissatisfied patients (Zimowski 2004). After discharge, these 20 patients will talk to other potential patients.

V.   Conclusion

From the study it was found that the new system of decentralising the inpatient discharges at ward level had reduced the number of complaints from customers. After the implementation there was no reported complaints on the hassle of discharges except a small number of patients still complaint on the long waiting time for discharges. Those complainants were using insurance medical card. In line with the better customer satisfaction the hospital enjoyed continuous growth in term of financial performance which is in line with a few studies done by researchers.

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