



Indonesia

# 20 Dr. Hasan Sadikin Hospital Improvement Project

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The project's objectives were to expand and improve the function of the Hasan Sadikin Hospital as a core facility (top referral hospital) in the province of West Java by developing its facilities, and thereby contribute to strengthen responses to poverty reduction in the region and regional development through the improvement of regional healthcare services.

**Loan Amount/Disbursed Amount:** 4,770 million yen/4,619 million yen

**Loan Agreement:** December 1996

**Terms and Conditions:** Interest rate, 2.7%; Repayment period, 30 years (grace period, 10 years); General untied

**Final Disbursement Date:** December 2001

**External Evaluator:** Takako Haraguchi (Global Link Management, Ltd.)

**Field Survey:** July 2003



## Evaluation Result

With the exception of the construction of a new ward with private rooms and the provision of equipment for this ward, which were added to respond to shortages of hospital beds, the emergency unit and central operating theater were constructed, equipments procured, and staff training implemented almost as planned. The project period was almost as planned and project costs were below budget because depreciation of the local currency exceeded inflation. Between 1996 and 2000 (pre- and post-project implementation), improvements have been made in the referral system, which is a pyramid-type healthcare system designed to allow services to be provided efficiently to wide-range of people, and the function of primary healthcare facilities. In this timeframe emergency outpatient numbers at the Hasan Sadikin Hospital dropped 2.8% from 30,634 to 29,783, while the number of surgical procedures conducted fell 9.8% from 13,114 to 11,827. Meanwhile, referrals from other hospitals increased from 6% to 14%, the ratio of advanced surgical procedures climbed from 28% to 42%, and the mortality rate decreased from 6.1% to 5.5% - all of which are improvements, thus the function of this facility as a top referral hospital has been expanded and improved. Added to which, On-the-Job Training (OJT) is helping to improve the skills of local healthcare workers. Establishing a new ward (with private rooms) is helping to

increase hospital revenues, which is in turn serving to improve healthcare services for the poor, and 2-5% of general outpatients and 15-20% of emergency outpatients are poor people who are exempt from medical fees. There are no problems in the technical capacity, or operation and maintenance system of the hospital; from a financial perspective it has been breaking even since the 1990s, and in 2002, hospital revenues surpassed government subsidies. One of the lessons learned from this project is that after the hospital became a state-owned enterprise in 2001 it began offering high quality medical services making it possible to raise fees, which is helping to increase revenues from treatment and contributing to improvements in financial sustainability.

## Third-Party Evaluator's Opinion

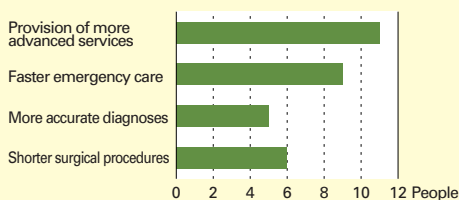
Dr. Hasan Sadikin Hospital, which became a state-owned enterprise, undertook management reforms, and increased the hospital revenues from diagnosis and treatment. It works to expand healthcare service for the poor along with the government's policy.

**Third-Party Evaluator:** Mr. Syafruddin Karimi

Obtained a doctorate in economics from Florida State University. Presently holds the post of Professor, Department of Economics, Andaras University. Specializes in water resources, community development, issues of development, etc.

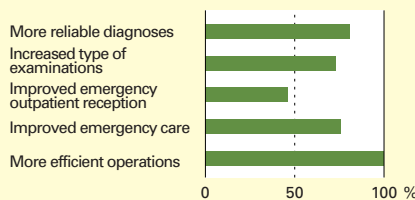
### Beneficiary Survey

**Notable Improvements: Before/After Project**  
(responses of hospital staff)



In a beneficiary survey of hospital staff, respondents pointed to the provision of sophisticated services and improvements in emergency care as being areas in which they had noted particular improvements as the result of the project.

**Percentage of "yes" responses among patients**  
(applicable respondents only)



In interviews with patients and family members, patients who had used the hospital prior to project implementation (approx. half of all respondents) pointed to positive improvements on the technical side, including in operations and emergency care. All patients surveyed pointed to the GICU services as being one advantage this hospital has over other medical facilities.



The general intensive care unit (GICU) which was constructed via the project