

BEST PRACTICE OF HOSPITAL MANAGEMENT STRATEGY TO THRIVE IN THE NATIONAL HEALTH INSURANCE ERA

Praktik Terbaik Strategi Manajemen Rumah Sakit untuk Berkembang di Era Jaminan Kesehatan Nasional

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ABSTRACT

Background: The implementation of the National Health Insurance (JKN) program has created a transformation in the health care system in Indonesia. Many hospitals were overwhelmed and unable to adapt to the new payment system. Some hospitals experienced cost losses due to INA-CBG rates which were lower than the actual rates.

Aims: This study identified the best practice of hospital management strategy to thrive in the JKN era in Indonesia.

Methods: This study used a qualitative design. The data collection was recorded through in-depth interviews with the Director of Dr. Iskak Tulungagung District General Hospital and the Director of An-Nisa Tangerang Hospital as best practice of hospital management in the implementation of JKN from public and private hospital, respectively. The interviews were obtained by using audio recorded and it were transcribed as a verbatim. Supporting data were obtained by reviewing the hospital documents. The data was analyzed by conducting content analysis.

Results: The best practice management strategy of the two hospitals to thrive in the JKN era is increasing efficiency in operational cost through digitalization, increasing the capability of human resources, customer relationship management, developing collaborations and support from stakeholders.

Conclusion: Both hospitals could survive from delay claims payment and bankruptcy by implementing strategy and innovation to adapt in the JKN era. The results of this study can be used by government-owned and private hospitals as references to improve the management strategy of hospital in Indonesia.

Keywords: best practice, hospital, National Health Insurance, strategy

ABSTRAK

Latar Belakang: Implementasi program Jaminan Kesehatan Nasional (JKN) telah menciptakan transformasi sistem pelayanan kesehatan di Indonesia. Tidak sedikit rumah sakit yang gagap dan tidak mampu beradaptasi dengan sistem pembayaran yang baru. Beberapa rumah sakit juga mengeluhkan tarif INA-CBG yang lebih rendah dari tarif riil rumah sakit yang menyebabkan rumah sakit mengalami kerugian.

Tujuan: Penelitian ini mengidentifikasi praktik terbaik strategi manajemen rumah sakit untuk dapat berkembang di era JKN. Data pendukung didapatkan dengan menelaah dokumen rumah sakit. Data diolah secara analisis konten.

Hasil: Strategi yang dilakukan oleh kedua rumah sakit untuk berkembang di era JKN adalah efisiensi biaya operasional melalui digitalisasi, peningkatan kapabilitas sumber daya manusia, manajemen hubungan pelanggan, dan kolaborasi dan dukungan pemangku kepentingan.

Kesimpulan: Kedua rumah sakit tersebut dapat bertahan dari pembayaran klaim yang tertunda dan kebangkrutan dengan menerapkan strategi dan inovasi untuk beradaptasi di era JKN. Hasil penelitian ini dapat digunakan oleh rumah sakit pemerintah dan swasta di Indonesia sebagai pedoman untuk dapat berkembang di era JKN.

Kata kunci: Jaminan Kesehatan Nasional, rumah sakit, strategi, praktik terbaik.

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INTRODUCTION

Indonesia began the initial steps of implementing the National Health Insurance (JKN) in 2014 as mandated by Law No. 40 of 2004 concerning the National Social Security System and Law No. 24 of 2011 about the Social Security Agency (BPJS). JKN program gave high expectations for all Indonesian to access affordable and qualified health care services. This expectation has been proven since the first year of JKN by the increasing of inpatient services until 110.5% (Nugraheni, 2017). Moreover, the JKN program could reduce the impact of poverty due to high health care costs (Hartono, 2017). Research conducted by Dartanto *et al.* (2017) showed that there were 1.16 million people saved from poverty and 14.5 million people saved from severe poverty in 2016. The JKN program could protect 320.000 poor people from debt of up to Rp.7.3 million to pay decent health services.

The JKN program not merely opened the access to health services for all Indonesian, but also directly created a transformation of the health service system in Indonesia (Nugraheni and Hartono, 2017). The JKN program forced health services to increase their quality services to the patients. The credentialing process carried out by the Social Security Agency for Health (BPJS-Health) required hospitals to improve the quality of services through hospital accreditation. In 2014, there were only 535 accredited hospitals, equivalent to 22% of the total hospitals in Indonesia. Within five years of the JKN program implementation, the number of accredited hospitals increased sharply become 2,926 hospitals or equivalent to 76% of the total hospitals in Indonesia (BPJS Kesehatan, 2019).

In addition to prioritizing the quality of health services for the community, the

JKN program was also required to implement cost control of health services. One of the forms of cost control was by implementing a Diagnosis-Related Group (DRG) payment commonly referred to INA-CBGs for hospitals. INA CBGs are package payment systems based on the common diagnoses of diseases and the resources used. The implementation of the INA-CBGs payment system was expected to be more efficient compared to the fee for service payment system (Hidayat, 2016; Happy, 2018).

Hospitals as health care providers for 224.1 million participants of JKN program had to adapt with the changes that occur (BPJS Kesehatan, 2019). This change occurs where the hospital must treat patients properly with efficient resources (Prayitno and Suharmiati, 2018). Besides, hospitals were required to innovate to excel competition in the JKN era. Many hospitals were not been able for the health care system reform in the JKN era. Some hospitals complained that INA-CBGs rates were lower than the real hospital rates, and thus deficit continued to occur due to higher costs (Edya, 2017; Muslimah, Tri Murti Andayani, Rizaldy Pinzon, 2018). Some of Indonesian Ministry of Health's vertical hospitals also experienced deficits due to high costs, limited resources and poor management (Wijayani, 2018). The deficits experienced by BPJS-Health also impacted on delayed claims and hospital cash flow.

Although the health care system changes after the implementation of JKN, some hospitals could overcome these challenges, even grow and innovate. Based on the observations, there are 2 hospitals that have succeeded in increasing the profitability and hospital growth in JKN era (JPNN, 2019; Times Indonesia, 2019). They are Dr. Iskak Tulungagung District General Hospital as the government hospital who received the

IHF 2019 Gold Award at the 43rd International Hospital Federation (IHF) Congress and Award at the Oman Convention and Exhibition Center Muscat, United Arab Emirates, 8 November 2019 due to the implementation of public safety to the JKN and Non-JKN patients (JPNN, 2019; Times Indonesia, 2019) and An-Nisa Tangerang Hospital as the private hospital who received up to 1,000 patient visits every day and get an average profit of 25% every year (BPJS Kesehatan, 2017). An-Nisa hospital received 40,094 outpatients in 2014 and increased to 136,694 and 211,247 in 2016 and 2018, respectively (RS Annisa, 2019).

Although both hospitals have been known for their best management practice, their key of successful management strategies to increase the hospital growth have not been documented yet. This study identified the best practice of the hospital management strategies to thrive in the JKN era in Indonesia. The similarities of strategies implemented by both hospitals were described in this study.

METHOD

This study used a qualitative design with a case study approach. Qualitative design was chosen to obtain in depth reason key success of the hospital growth. Inclusion criteria of the study was the top management of Dr. Iskak Tulungagung District General Hospital and An-Nisa Tangerang Hospital. The data were collected through in-depth interviews with the Director of Dr. Iskak Tulungagung District General Hospital and the Director of An-Nisa Tangerang Hospital with semi-structured interviews. The interview was conducted by AHZ and RKH. The interviews were conducted after obtaining participants consent to participate in this study. We recorded the audio of the in-depth interview. Each of interview was

conducted for one hour. The audio was transcribed into a verbatim by AHZ. Supporting data were obtained through a review of hospital documents, such as hospital's work and budget plan, strategic plan, management and finance reports. The study was conducted for three weeks between 2 and 20 December 2019.

In order to answer the purpose of this study, the analysis was done by using content analysis by WPN, AHZ, and RKH. We analyze all information obtained from the results of the study through excerpt of interview results, sentences, and table summary of hospital strategy with consider the validation. The validation was carried out by conducting the data triangulation. The data was derived from in-depth interview complemented by secondary data collection from both hospital which have the best practices of hospital management strategies. The description of the review included profile, organization and management, financial condition, strategy, and innovation of the hospitals in surviving the transformation of health services in the JKN era (Genesys, 2008; Blocker *et al.*, 2011; Chiang and Wang, 2015; Kabene *et al.*, 2006; Nigam *et al.*, 2014). The protocol for the study was reviewed and approved by the National Institute of Health Research and Development, Ministry of Health Republic of Indonesia with the reference number: LB.02.01/2/KE.212/2019.

RESULTS AND DISCUSSION

Dr. Iskak Tulungagung District General Hospital

Hospital Profile

Dr. Iskak Tulungagung District General Hospital was classified as Class-B Teaching Hospital established on May 25, 2016 based on the Decree of the Indonesian Minister of Health Number:

HK.02.03/II/1147/2016. Since May 18 2015, Dr. Iskak Tulungagung District General Hospital was appointed as a District Referral Hospital based on the East Java Governor Decree Number: 188/359/KPTS/013/2015 which assigned referrals from the Trenggalek Regency, Blitar City, Blitar Regency and Pacitan Regency. In 2018, Dr. Iskak Tulungagung District General Hospital was fully labelled as a District Public Service Agency based on the Decree of the Tulungagung Regent Number: 188.45/554/031/2008.

Dr. Iskak Tulungagung District General Hospital has 13 specialist services and 7 subspecialist services with 476 beds. In 2018, the average monthly outpatient visits, monthly inpatient visits, and emergency room visits were 15,864, 2,713 and 3,703 respectively. The vision of Dr. Iskak Tulungagung District General Hospital is to create a referral and teaching hospital that is reliable and affordable in services. While the mission of Dr. Iskak Tulungagung District General Hospital is to improve the quality and access to health services, conduct quality education and research in the fields of health and medicine, and implement accountable hospital management.

Hospital Organization and Management

The biggest challenge in the management of government-owned hospitals is the large amount of political, legal, media, and other external interventions that can disrupt organizational processes and management that have been established. Dr. Iskak Tulungagung District General Hospital could develop themselves quickly because they had no external intervention to the hospital management, such as undone practice from the executive, legislative, law enforcement officers, NGOs and journalists. Until now, the hospital can operate independently as the

real Public Service Agency (BLU), and all employees can work professionally.

"Our hospital can thrive rapidly because it is free from external intervention, so the management can work professionally ..."
 (Director of Dr. Iskak Tulungagung District General Hospital).

Dr. Iskak Tulungagung District General Hospital believed that human resources are the main asset of the hospital. The hospital management has held regular trainings and formed accredited internal training program. They also guarantee the welfare of employees with negotiation by calculating the amount of remuneration expected by each employee higher than that in other competing hospitals. This step has been carried out by the hospital management to maintain employee loyalty.

"We gather all doctors and staffs. We ask one by one how much salary is expected. We adjust the salary to their expectations so that each employee can work happily..."
 (Director of Dr. Iskak Tulungagung District General Hospital).

Hospital Strategy

Dr. Iskak Tulungagung District General Hospital has a low-cost hospital, high quality and hospital social responsibility strategy. The low-cost strategy was implemented with the principle of efficiency and effectiveness in each hospital function, both service and management. The hospital has utilized technology to implement efficient and effective strategies in every business and management process, such as

establishing a floating slip system and an electronic drug management system (Si Monic). A floating slip is a digitizing system that simplifies the process of correspondence that can be monitored accurately and speeds up the bureaucratic process. Whereas, Si Monic is a drug procurement system that is integrated with information systems to avoid drug stockout and avoid manipulation in drug procurement.

The high-quality strategy carried was fully committed to the quality of service as outlined in Public Service Regulation No. 16 of 2018. The hospital prioritizes services to patients by forming a complaint handling unit that is in charge of going around the hospital to resolve complaints and help patients who are confused when visiting the hospital. To avoid long patient queues, the hospital has created Si Poetri application for online patient registration without queuing at the hospital. With these innovations, Dr. Iskak Tulungagung District General Hospital received a Community Satisfaction Index of 83.05 in 2018.

Dr. Iskak Tulungagung District General Hospital has a motto "hospital without a wall" as a form of social responsibility to provide health services not only limited within the hospital area but also outside the hospital. They provide the services by developing the Public Safety Center (PSC) system. This system provides a fast response to all emergency events that endanger lives of the community, such as illness, traffic accidents, natural disasters, fires, riots etc. People can access these services through telephone and emergency button applications. This system automatically encourages good cross-sector collaboration among district health offices, public healthcare centres, private hospitals, regional disaster management agencies, regional polices, and fire

departments to give a quick response to emergency events. The system implements a response time at 0 minutes or it is handled directly by the officer. For example, when a fire occurs, fire departments can immediately respond and handle fire problem, while public healthcare centers and private hospitals can immediately giving health services to the victims. The Public Safety Center (PSC) is supported by a complete and modern emergency department called INSTAGRAM is a strategy to increase hospital utilization. Data from service report mentioned that 80% of the inpatients reaching to 150 people per day came from the emergency room. PSC and INSTAGRAM system have made the hospital uninterrupted for the tiered referral regulations implemented by BPJS-Health.

"Dr. Iskak District General Hospital's motto is a "hospital without a wall". Basically, we provide community services not limited in our hospital area but also outside the hospital through this PSC system. We collaborate with primary healthcare centers, private hospitals, polices if there is an accident, and Regional Disaster Management Agency if there is a disaster" (Director of Dr. Iskak Tulungagung District General Hospital).

"We are not affected by the tiered referral policy of BPJS-Health. Thanks to the PSC system that we built. Our emergency room visit was very high, and this contributed greatly to inpatient visits" (Director of Dr. Iskak Tulungagung District General Hospital).

Hospital Finance

The deficit conditions experienced by BPJS-Health has caused delayed claim payment to the hospital for six months. However, delayed claim payment did not affect the hospital operations. Dr. Iskak Tulungagung District General Hospital circumvented this problem by diverting the hospital's construction funds to cover operational costs during the unpaid claims by BPJS-Health. The hospital's construction fund was originally planned for new buildings and beds. Dr. Iskak Tulungagung District General Hospital is one of the hospitals that no longer gets subsidies from the government. Even though hospitals are not subsidized, they have proven to operate optimally with a CRR (Cost Recovery Rate) of 104% in 2018.

"In 2019, we experienced a delay in payment of BPJS-Health claims for 6 months. We covered our operational cash flow using development funds that should be used for new building construction and bed additions" (Director of Dr. Iskak Tulungagung District General Hospital).

"Our hospital is one of the hospitals that does not get funding from the regional government anymore because we could be independent. In 2018, our CRR was 104%" (Director of Dr. Iskak Tulungagung District General Hospital).

Hospital Innovation

After the successful operation of the PSC and INSTAGRAM systems, Dr. Iskak Tulungagung District General Hospital established an Integrated Acute Coronary

Syndroma Service System (LASKAR) that was integrated with the previous two systems. If there is a heart attack in the community, then the PSC Team at the nearest health facility will pick up the patient that will be treated at the nearest hospital or primary healthcare center that has an electrocardiogram (ECG) facility. However, if it is a very emergency case, Dr. Iskak Tulungagung District General Hospital will immediately handle it.

Other than that, the hospital has also developed maternal and child health services that are integrated with PSC. Maternal and child health services provide information services to the community and a quick response to emergencies occurred to pregnant women, infants and toddlers. With the development of this system, Tulungagung District succeeded in reducing the maternal mortality rate into 34.6 per 100,000 births which has far exceeded the target of the SDGs in 2030 by 70 per 100,000 births. In 2019, Dr. Iskak Tulungagung District General Hospital developed post-hospital care services that monitor the development of patient's health after being discharged from the hospital.

"In the future, we are developing post-hospital care services, so the health condition of discharged patients can still be monitored" (Director of Dr. Iskak Tulungagung District General Hospital).

An-Nisa Tangerang Hospital

Hospital Profile

An-Nisa Tangerang Hospital started as a maternity hospital under the ownership of the Permata Bunda Foundation with a capacity of 20 beds in 1991. In 2008, the maternity hospital was developed into a general hospital with a

capacity of 100 beds and 6 specialist services. At present, An-Nisa Tangerang Hospital is classified as Class-C General Hospital under the ownership of PT Annisa Utama with a capacity of 187 beds and 18 specialist services. In 2018, the average monthly outpatient, inpatient, and emergency department visits were 17,491, 1,579 and 2,103 respectively. An-Nisa Tangerang Hospital has a vision to be an Islamic hospital that is trusted and chosen by the community. While, its mission is to provide qualified and professional services, to brand the image of Islam at all levels in all actions and appearances, and to develop a spirit of services in every employee.

Hospital Organization and Management

An-Nisa Tangerang Hospital realized that human resources is the main asset in the hospital business, and thus the organizational environment is formed to create thriving employees. All nursing staffs have a minimum nursing education, and all the main management line has postgraduate education. An-Nisa Tangerang Hospital provided scholarships to employees who wish to continue their studies and conducted comparative studies visit to the best hospital in other countries every year. In terms of organizational aspect, An-Nisa Tangerang Hospital instilled a culture of serving and working hard in every staff in the organization. The organizational environment also promoted collaboration between hospital owners, management and doctors.

"The fourth thing that locks them to be royal to An-Nisa Hospital is that we give 30% of the hospital shares to the doctors. If this hospital is profitable, the profits will return to them..." (Director of An-Nisa

Tangerang Hospital).

Hospital Strategy

The target market of An-Nisa Tangerang Hospital was 90% of total patients are JKN participants. With this target market, the business strategy used was the low-cost strategy in every aspect of the hospital business such as the use of generic drugs, purchasing drugs through e-catalogs and technology and utilize technology and digitalization to achieve efficiency. Procurement of generic medicines as well as through e-catalogs system needs lower costs than procurement of patent brands. In addition, digitization helps to accelerate service flow, reduce paper printing, and minimize service errors, so that it save hospital operational costs

The marketing strategy chosen was a word of mouth recommendation from patients who have visited the hospital. To get an income margin that exceeds the average margin of the hospital industry in Indonesia, the hospital management optimized every existing asset and increased service utilization capacity. The current income of An-Nisa Tangerang Hospital reached 15 billion every month.

"So the biggest income is actually from BPJS-Health patients as much as 12 billion and from non-BPJS-Health patients as much as 3 billion. It is equivalent to 90% of BPJS patients and 10% of non-BPJS patients..." (Director of An-Nisa Tangerang Hospital).

"The marketing target of An-Nisa Tangerang Hospital got a turnover of 15 billion, but our marketing was only up to 5 to 6 million. Why do they only not have the cost to print leaflets?"

Because An-Nisa Hospital uses recommendation marketing strategy. Why not promotion but recommendations? Word of mouth from well-treated patients will elevate the hospital promotion...." (Director of An-nisa Hospital Tangerang).

Hospital Finance

An-Nisa Tangerang Hospital had a annual profit margin at 15-20% with a strategy to increase the service capacity and maximize the existing assets. By increasing the service capacity, the hospital's fixed cost will decrease and increase profit margins. The hospital also had a unit cost based on INA-CBGs, and thus the hospital management knew the group of diseases that are financially at risk. In addition, the hospital used generic drugs, control length of stay and improve diagnostic support to improve cost containment. The hospital's Cost Of Goods Sold (COGS) was only 10-12% of the total hospital costs. During the delayed claims from BPJS-Health, An-Nisa Tangerang Hospital utilized Supply Chain Financing (SCF) program to maintain their cash flow. The hospital also formed a good claim management with the timely delivery of claims files to BPJS-Health. Claims were scheduled to be sent every 3rd day and 21st day to BPJS-Health that has finished verifying.

"The pharmacy is no longer wandering around An-Nisa Hospital because all of the generic drugs are already in. Thus, they do not work on the hospital's pharmaceuticals. That is why I said that every doctor who wants to join in the hospital practice need to know that our target is to serve BPJS-Health patients. If doctors do

not want to serve those patients according to INA-CBGS, they do not fit to the practice here " (Director of An-Nisa Tangerang Hospital).

"Basically, we have to do these things. First, the Director has an entrepreneurial spirit. Second, for cash flow, the hospital uses SCF. Third, the claim management must be timely. Fourth, open management..." (Director of An-Nisa Tangerang Hospital)

Hospital Innovation

An-Nisa Tangerang Hospital admitted that information technology was needed to improve the efficiency of services. Now, the hospital has implemented an Electronic Medical Record (EMR) for outpatient and inpatient services. Its strategic plan in 2020 was to use Artificial Intelligence (AI) technology to further enhance service capacity and cost efficiency. In the service aspect, the hospital prioritized customers' experience. The hospital provided free patient discharge services and gave small gifts to pediatric patients. The hospital had a good patient discharge system.

In the evening, the doctors made a list of patients who could be discharged the next day, and they completed the medical record, as well as patient administration. If the next day the patient was declared stable based on the nurse's examination, the patient would be sent home immediately without waiting for the doctor to visit. The hospital also formed a fraud prevention team that functions to detect "abnormal" events in the service. After the claim verification process was complete, the fraud team reviewed the problematic claim to decide whether or not the claim could be submitted to BPJS-

Health.

"In 2019, we only implemented electronic medical records, so the casemix team, which had 12 people, left only 2 people because the doctor had written the diagnosis. We match with

ICD X. If it suits right, the BPJS-Health cost would come out. It is a design that would be implemented in 2020..."
 (Director of An-Nisa Tangerang Hospital).

Table 1. Summary of Two Best Hospital Management Practice after JKN Era in Indonesia.

Description	Dr. Iskak Tulungagung District General Hospital	An-nisa Tangerang Hospital
Hospital Profile	<ul style="list-style-type: none"> - Classified as class-B teaching hospital - Having 13 specialist services and 7 subspecialist services with 476 beds. - Appointed as a District Referral Hospital which assign referrals from the Trenggalek Regency, Blitar City, Blitar Regency and Pacitan Regency. - Monthly outpatient, inpatients and emergency were 15,864; 2,713 and 3,703 respectively in 2018. 	<ul style="list-style-type: none"> - Classified as class-C general hospital - Having 187 beds and 18 specialist services. - Monthly outpatient, inpatients and emergency were 17,491; 1,579 and 2,103 respectively in 2018.
Hospital Organization	<ul style="list-style-type: none"> - Operated independently as the Public Service Agency (BLU) - Having employees who work professionally. 	<ul style="list-style-type: none"> - Human resources as the main asset of the hospital - The management provides scholarships to employees
Hospital Finance	<ul style="list-style-type: none"> - Diverting hospital construction funds to cover operational costs. 	<ul style="list-style-type: none"> - Maximizing existing assets with 15-20% of annual profit margin. - Cost Of Goods Sold (COGS) at 10-12% of the total hospital costs. - Applying Supply Chain Financing (SCF) program to maintain hospital cash flow.
Hospital Strategy	<ul style="list-style-type: none"> - Low-cost hospital, high quality and hospital social responsibility strategy. 	<ul style="list-style-type: none"> - JKN participants with a composition of 90% of total patients as the target market - A word of mouth recommendation from patients as the best marketing strategy
Hospital Innovation	<ul style="list-style-type: none"> - Establishing an Integrated Acute Coronary Syndroma Service System (LASKAR) for patients with cardiac arrest. - Developing maternal and child health services that are integrated with PSC. 	<ul style="list-style-type: none"> - Developing information technology such as Electronic Medical Record (EMR) to improve the efficiency of services at the Hospital. - Building a good patient discharge system

Contrast with the result of this study, Irwandy and Sjaaf (2018) stated that 56% of hospitals in South Sulawesi were classified as inefficient within 4 years after JKN implementation. Research conducted by Harmadi and Irwandy (2018) assessing the efficiency level in government hospitals in Indonesia also found that 66.7% of class-A hospitals, 70.3% of class-B hospitals and 61.1% of class-C hospitals in Indonesia were classified as inefficient. In addition, Ross and Dutta (2019) did a survey to 61 private hospitals in collaboration with BPJS-Health and showed that efficiency only occurred in inpatient services.

This condition is also happened in other countries. Many hospitals were closed within 5 years of the introduction of the DRG payment system in America (Jane *et al.*, 2016). In Taiwan, the number of hospitals in 1995 was 787, which then decreased into 490 in 2016 due to the number of hospitals that closed or merged due to service inefficiencies, poor financial management, and low levels of competition (Chiang and Wang, 2015; Gilhawley, 2018; Kuo and Yang, 2018). In Germany, since DRG payment implemented in 2004, high hospital mergers and 19 hospitals were closed within 5 years of implementing the DRG payment system (Mullner and McNeil, 1986; Pilny, 2015).

Hospitals were demanded to carry out strategies to adapt with transformation that occurred due to the payment system reform. The four strategies were used to increase efficiency, reduce costs, create more flexible organization reform to adapt market changes, change the service culture oriented to increasing customer satisfaction, and improve hospital infrastructure. All of these strategies were focused on ensuring the long-term financial sustainability of hospitals in a

changing market (Coughlin *et al.*, 2014).

Common Implemented Strategies

From this present study, the best hospital management practice at Dr. Iskak Tulungagung District General Hospital and An-nisa Tengerang Hospital could make them adapt and grow in the National Health Insurance (JKN) era. They have four common strategies implemented, such as efficiency in business process, investment in human resources, customer relationship management, and stakeholders' collaboration and support.

Efficiency in Business Process

Efficiency in hospital business process is the key to survive and thrive in National Health Insurance (JKN) era. Hospitals must regenerate a whole management and service process to operate efficiently. Regeneration process must focus on cost containment, transparency improvement and capacity improvement of hospital resources. Many hospitals were more focused on managing revenue rather on cost containment to insure profitability (Dewi, 2018). Whereas, with a proper cost containment strategy and optimization of the capacity of resources which lead to reduce fixed costs, hospitals will get greater profit margins (Dong, 2015). Transparency is essential in reducing fraud and is easier to achieve with the help of technology and digitization tools. Both of Best Practice Hospital use information technology (computerized the management work flow) and digitalization (paperless work system) to cut administration bureaucracy, reach effectiveness in service delivery and cost efficiency. Research from University of Sidney proved that digitalization in healthcare providers could accelerate quality and safety of service and efficiency of organization process (Shaw, Hines and

Kielly, 2018).

Investment in Human Resources

One of the top three reasons people leave organizations is the lack of interesting and meaningful development opportunities (Stokes *et al.*, 2013). According to the finding of this study An-nisa Hospital invest human resources with giving training and guarantee of further study to their staff. It is important because proper management of human resources is critical in providing a high quality of services (Kabene *et al.*, 2006). When hospital management can integrate learning process with performance, it becomes much more related to employees who see how their training program support their performance and positively impact patients (Sinha and Ojha, 2016). Another important aspect is to ensure employees' welfare to keep them engaged and happy, by developing strategies such as hospital social responsibility. Glassdoor's research showed that happy employees would create happy costumers (Zhao and Chamberlain, 2003).

Customer Relationship Management

Both of hospital in this study retain the patients to willing visit back with giving the best service and they do not differentiate the health services between JKN and non-JKN patients. They also implement the strategy of proactive word mouth from the patients related to the good health services in the hospital. Research done by Blocker *et al.* (2011) revealed the impact of proactive costumers service could create robust effect to superior value, statisfaction and loyalty of the costumers. Proactive approaches could be done by asking costumers for feedback, paying attention to what costumers need, and offering rewards for regular costumers as both hospital have been implemented. For example, both

hospitals conducted a survey and word moth strategy to know the patients' feedback. Genesys Consumer Survey 2006 in USA showed that 88% of patients would have a more positive opinion of a hospital after receiving a call just to thank them for their visit or ask them how satisfied they are (Genesys, 2008).

Stakeholder's Collaboration and Support

According to the confirmation from informants from both hospitals, they collaborate their hospital management with several stakeholders such as owner, administrators, and medical doctors. The impact of collaboration with stakeholders is that the health system will improve the quality of care (partly by rationalization and optimization) and improve integrated care by increasing patient flow through vertical integration (De Regge *et al.*, 2018). Another study also concluded that hospital management requires collaboration from all stakeholders to ensure that the strategy can be carried out without significant obstacles (Pandi-Perumal *et al.*, 2015). District government hospitals should cooperate with regional leaders and local institutions to get policy support.

Various studies have shown that doctors' support is very important to shape changes in values and quality of hospital organization (Bradley *et al.*, 2001). Management support can increase the success of organizational change. Collaboration from doctors and management to understand the problems in hospital organizations is very important to determine changes in hospitals to improve efficiency (Nigam, Huisung and Golden, 2014).

Owners, management and staffs must understand and be involved in the process of organizational change to reduce concerns for negative expectations. Throughout the process of

organizational change, such as rebuilding hospitals, staffs need to be involved, adequately informed, and trained as they think the management and owners supported them. Champions of varying professions and leading departments can be used to increase a sense of involvement among actors in hospital organization (Pomare *et al.*, 2019).

This study has successfully documented the success of hospitals in surviving the era of national health insurance by conducting in-depth interviews directly with hospital directors from the government and private hospitals. However, the results of this study are limited to the ability and experience of researchers in exploring the experiences of informants. It is possible to change the strategy by the informants in the future.

CONCLUSION

This study concluded that the best hospital management practice to survive and thrive in the JKN era was carried out by implementing strategies and innovations to adapt with health care system reform. The similarities of strategies carried out by Dr. Iskak Tulungagung District General Hospital and An-Nisa Tangerang Hospital as the examples involved efficiency in business process, investment in human resources, customer relationship management, and stakeholder's collaboration and support. Government-owned and private hospitals in Indonesia could use the results of this study as references to thrive in the JKN era.

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CONFLICT OF INTEREST

The authors state that there is no conflict of interest for this article.

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