Developing new tools for analyzing financial management of hospitals and how to improve hospital management after merging of two hospitals

Shikoku Medical Center for Children and Adults, Japan

The project has developed a new cost-cutting analysis technique offering managers invaluable tools with which to calculate medical costs for individual patients and for each clinical department. For the hospital merger exercise, the tools were used to compare/benchmark with other National Hospital Organisation (NHO), the biggest hospital group in Japan with 143 hospitals. Benchmarking of the financial status of all 143 hospitals has been made possible with the use of these tools. The hospital in its first year of operation made a profit and has been delivering high quality medical care. In addition hospital managers are able to apply them in determining policy and investment. The project’s other aim was to secure intellectual property rights, patent registration prior to its release. The patent was obtained in April 2014.