Major challenges and opportunities for hospitals in the upcoming 10 years in Indonesia

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This brief article will give an overview of local challenges and trends for hospitals in the ten coming years perceived across the world, including Indonesia.

The major challenges that will transform hospitals in Indonesia in the ten coming years are coping with:

I. Rapid transformation in digital technology (more focus on this area)
II. Rapid growth of the elderly population
III. Non-Communicable Diseases
IV. Universal Health Coverage (not a challenge in the long run)

Digital Disruption

Ongoing revolution in Digital Technology changes all social order in society such as:

- In the business platform: getting better customer satisfaction, easy access, faster, cheaper, direct interaction between consumers & sellers, and easy to collect consumer feedback regarding if the services are very good, good, bad or very bad
- Transparency for customers to access a lot of information, so that they can compare good products
- Customer emancipations
- New consumer behavior (design, marketing, delivery)
- Etc.

This Rapid Digital Reformation also improves the mode of hospital services, such as:

- Medical Sciences due to easy access to health information via internet
- Increased patient knowledge regarding the diseases that they suffer, because they could also easily access health information via internet
- Development in diagnostic-areas:
  - Biosensor, Genome structure in laboratories
  - MRI, PET-Scan, and Citi-Scan in the radiology unit
- New-Treatment:
  - Transformation in Pharmaceutical Industries
  - New Medical Procedures (Robotic, etc.)
- Hospital Information System improving performance in services: faster, more efficient, more effective and more accurate hospital services, easily accessed by patients, and more interaction between health professionals and patients
- 3D medical printing can create a Bio-Technology Industry
- Etc.

This rapid transformation will challenge hospitals to continuously improve their ability, using modern technology to be competitive amid the disruption era. This requires a lot of investment while it on the other hand will escalate performance of services and treatments.

So, hospitals must adapt to the disruption transformation based on the resources they have.

What uncertainties remain regarding hospitals’ response?

- High cost investment: not all hospitals can afford to adapt to new technology innovation.
- Decreased direct contact between patients and doctors, since doctors will monitor patients by Telemedicine.
- Patient depersonalization: doctors prefer to use more Diagnostic Technology than seeking the data from patient examinations.
- Trend to use technology for diagnosing will increase the healthcare cost.

Rapid growth of the elderly population:

This rapid reform in healthcare services will affect life expectancy of the population. Data from the Indonesia Population Projection 2010 – 2035 (BPN/BAPPENAS/UN Population Fund, 2013) demonstrated that, between 2020 – 2029, populations will increase by 8.56% from 271,006.4 capita to 294,274 capita, whereas elderly will increase by 41% from 5,120,600 capita to 4,140,600 capita.

This rapid growth of the elderly population will absolutely be related to cases of Degenerative Diseases; both existing cases and new ones will emerge. As a consequence, this change will shift illness patterns from Infections to Non-Communicable Diseases.

Hospitals must adapt to this situation with a strong Geriatric Unit integrated with nursing home and home care, beside National Family Planning Program, which will take a big part in restricting the escalating number of populations.

Non-Communicable Diseases:

Rate USD 1 = Rp 14,200 — (1 Aug 2019)

As mentioned above, rapid growth of the elderly population is related to Non-Communicable Diseases and followed by high escalating healthcare cost.

Data from the Social Insurance BPJS (Dec 2018) showed that groups of Catastrophic Diseases: Health Disease, Renal Failure, Cancer, Cerebral-vascular Disease, Thalassemia, Cmiosis hepatitis, Leukemia, and Hemophilia consumes 25% of total healthcare costs.

It increases 124% from Rp 9.13 Trillion in Dec 2014 (6,116,535 cases) to Rp 20.43 Trillion in Dec 2018 (19,243,141 cases). The highest cost is Cardiovascular disease which consumes Rp 10,56 Trillion (increase of 66% compared to Dec 2014). This data does not include costs from Commercial Insurance and Out of Pocket payments.

To cope with this shift of disease patterns, the Ministry of Health promotes the Promotion and Prevention Program named “GERMAS” (Healthy Life Style in Community).

Hospitals are encouraged to support this program financed by the Government.

On the other hand, innovative technology will improve services to NCD patients with early diagnosis, faster and more accurate treatment, procedures, and rehabilitations including palliative treatment.

Universal Health Coverage:

Universal Health Coverage will still create problems for providers due to low economic tariff values. However, this challenge will soon be over thanks to negotiations among the stakeholders. So, we do not need to further discuss this subject.

About the Indonesian Hospital Association

PERSI (Perhimpunan Rumah Sakit Seluruh Indonesia) or the Indonesian Hospital Association is an independent, not-for-profit and non-governmental organization. PERSI is an umbrella organization for all hospitals in Indonesia. There are eighteen hospital associations under PERSI. These are ARSADA, PELKESI, MIKISI, PERDAMI, ARSPI, ARSSI, Asosiasi TNI POLRI, BUMN, ARVI, ARSABA, ARSIAK, Gigi Mulut, ARSANI, Mata, Bedah Islam Nahdatul Ulama, Asiyiyah Muhammadiyah, and APSPTN.