

From a stand alone hospital system to an Integrated Healthcare Network in a region

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Nagano Kouseiren

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I . What is Kouseiren?

Kouseiren = National Federation of Agricultural Cooperative
Association for Welfare and Medical Services

Kouseiren

Kouseiren is a healthcare delivery business organization founded by Japan Agriculture Group to help farmers who live in rural areas without a healthcare facility.

Fast Facts (2007)	
The number of hospitals	117
The number of clinics	64
The number of beds	37,358
The number of outpatient visits	20,450,000
The number of inpatient visits	11,170,000
Total Revenues	7.1 billion US\$

Organization Profile of National Kouseiren

National Kouseiren = National Federation of Kouseirens

Organization Structure	<ul style="list-style-type: none">◆founded by Agricultural Cooperative Associations◆A Kouseiren is set up in each prefecture◆Non-profit organization, Exclusion from taxation
Location	Most of Kouseiren hospitals are located in rural areas surrounded by mountains.
Business Responsibility	Self-support accounting system
Function	Providing not only acute care but also health control & education and long term care for elderly people.

Characteristics of sub-public hospitals

Sub-public hospitals have the same functions as Public hospitals.

Sub-public hospitals are founded by private organizations.

Public hospitals are founded by municipal governments.

There are several kinds of sub-public hospital organizations.

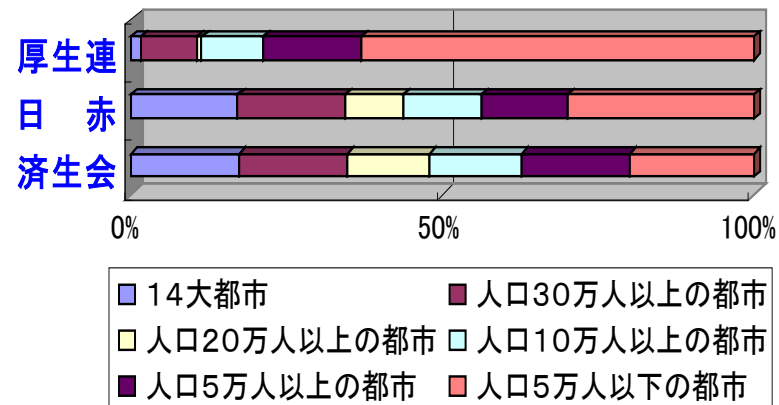
◆Kouseiren (117 hospitals) for farmers.

Most of them are located in small population local areas.

◆Japan Red Cross (92 hospitals) for emergency care

◆Saiseikai (78 hospitals) for the poor

Location



II . What is Nagano Kouseiren?

Nagano = Nagano Prefecture

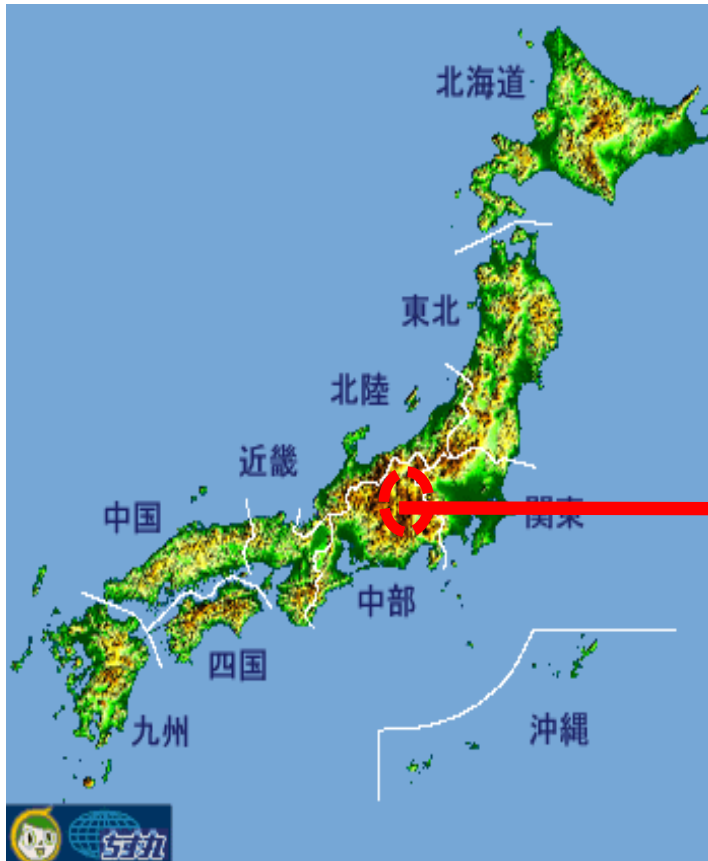
Location of Nagano Prefecture

#At the center of Japan

#Area 13,585 km²

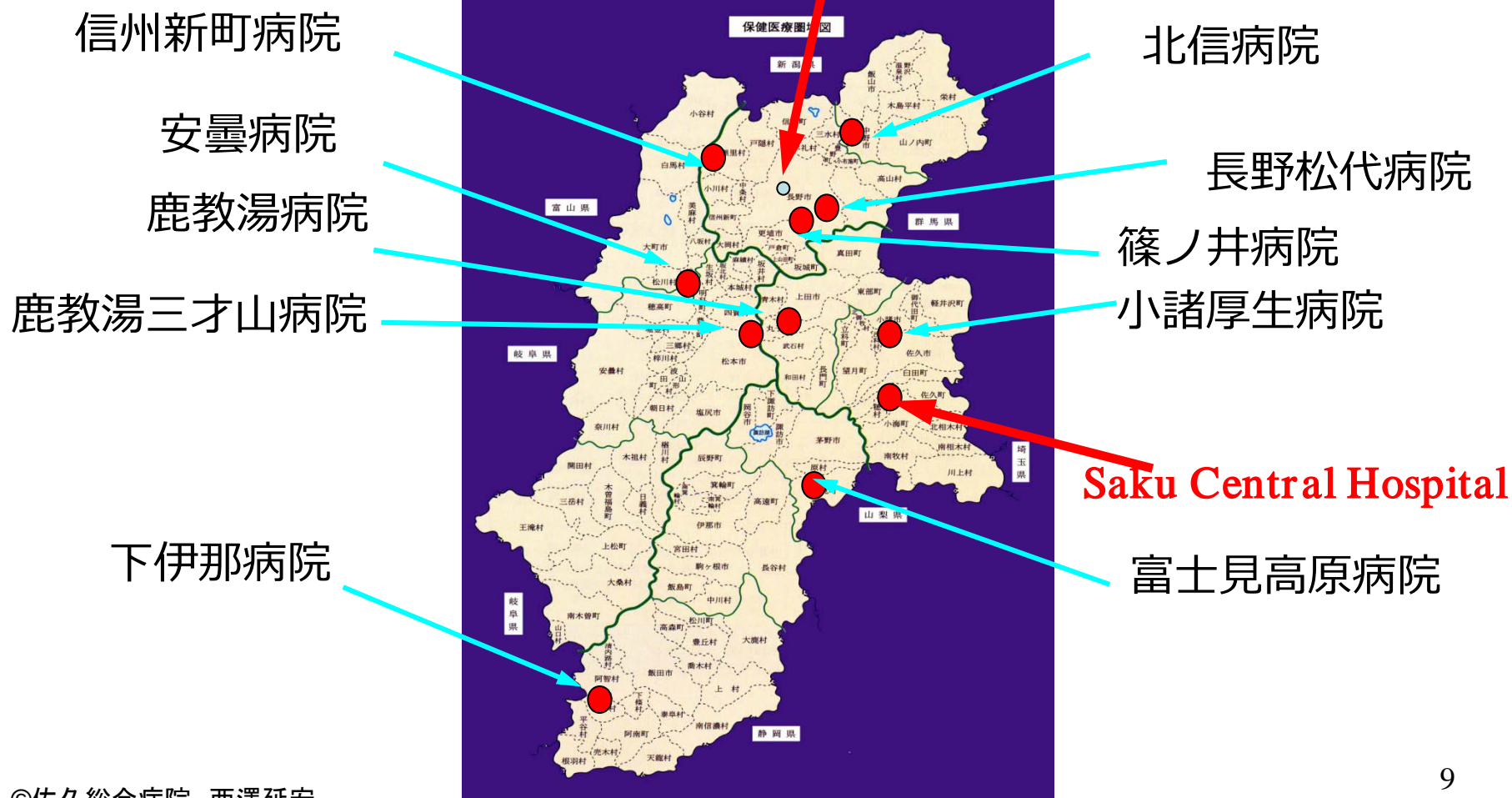
#Population 2,200,000

#Nagano Prefecture is divided into several areas by mountains and rivers



Location of 11 hospitals

Corporate Office



Fast Facts of Nagano Kouseiren (2008)

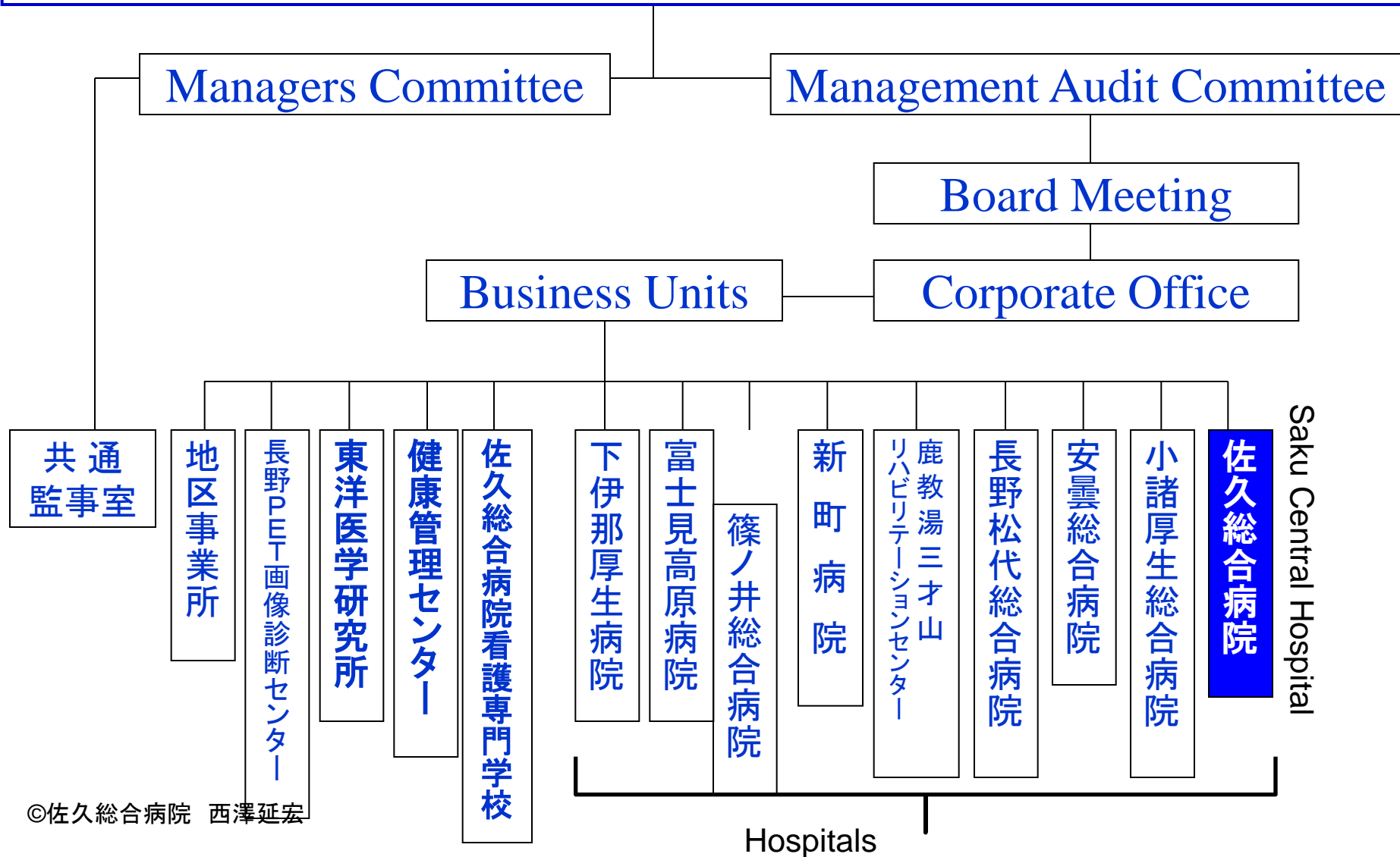
Hospitals	11	
Satellite Facilities	Satellite hospitals 3 Clinics 4 Long term care facilities 7 Home visiting nursing units 21 Nursing school 1	
Beds	4,239	
Impatient visits	1,350,000	
Outpatient visits	2,020,000	
Medical checkup	398,000	
Total revenues 870 million US\$	Net income 11 million US\$	Total assets 870 million US\$

Organization Profile of Nagano Kouseiren

- ◆ Non-profit organization founded by Nagano Agricultural Cooperative Association
- ◆ Self-support accounting system
- ◆ Each hospital (11 hospitals) is semi-independent in terms of managerial goal, human resources and finance.
- ◆ Providing healthcare services for farmers and local residents
- ◆ Located in agricultural communities which lack for healthcare facilities.
- ◆ Providing not only acute care but also health control & education and long term care for elderly people.

Organization of Nagano Kouseiren

The assembly of Nagano Agricultural Cooperative Association



Ⅲ. Medical services provided by Saku Central Hospital

Fast Facts of Saku Central Hospital

Location		Saku City, Nagano Prefecture	
Coverage of healthcare		29 specialities	
The number of beds		1,193 beds	
	Main campus	821 beds	
		General acute 600 beds、ICU 20 beds Psychiatric 112 beds、 infection disease 4 beds health checkup 50 beds Nursing care 40 beds	
	Misato Satellite hospital	120 beds	
	Koumi Satellite hospital	99 beds	
	Saku Long Term Care	94 beds	
	Koumi Long Term Care	59 beds	
Clinics without a bed		6 facilities	
Employees		1,924 (including 215 MDs)	

Related organizations of Saku Central Hospital

佐久総合病院の関連組織

佐久総合病院 本院 (821床)

小海分院 (99床)

美里分院 (120床)

小海診療所

佐久老人保健施設 (94床)

老人保健施設こうみ (59床)

佐久総合病院付属看護専門学校

(財)日本農村医学研究所

(財)農村保健研修センター

佐久東洋医学研究所

健康管理センター

訪問看護ステーション

宅老所「やちほの家」

臼田地域包括支援センター

佐久総合病院ケアプランセンター

訪問看護ステーションうすだ

訪問看護ステーションのざわ

訪問看護ステーションやちほ

訪問看護ステーションこうみ

訪問看護ステーションあさしな

のざわ居宅介護支援事業所

Panoramic photograph of Saku Central Hospital



Bottom-line of Saku Central Hospital

(2008)

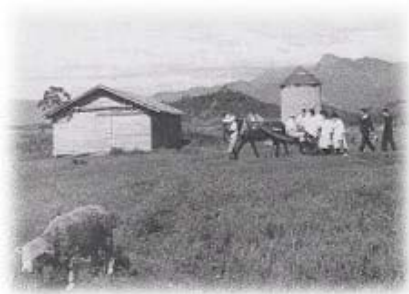
Revenues		240 million US\$	
	Breakdown by facility	Main Campus	203
		Others	37
	Breakdown by department	Inpatients	141
		Outpatients	72
		Others	27
Net income		9 million US\$	



Running in the black since it's foundation in 1944

Mission & Vision of Saku Central Hospital

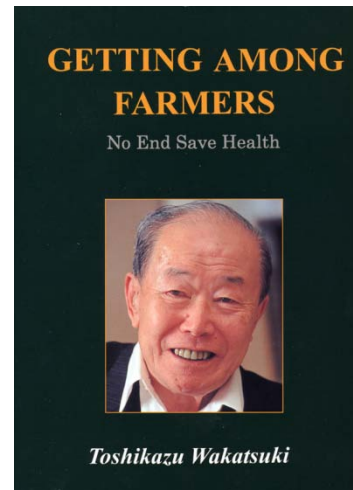
Saku Central Hospital will protect the farmer's lives and their environment by providing the best healthcare services and cultural activities, help them lead a meaningful life and contribute to improve health in the world.



1947



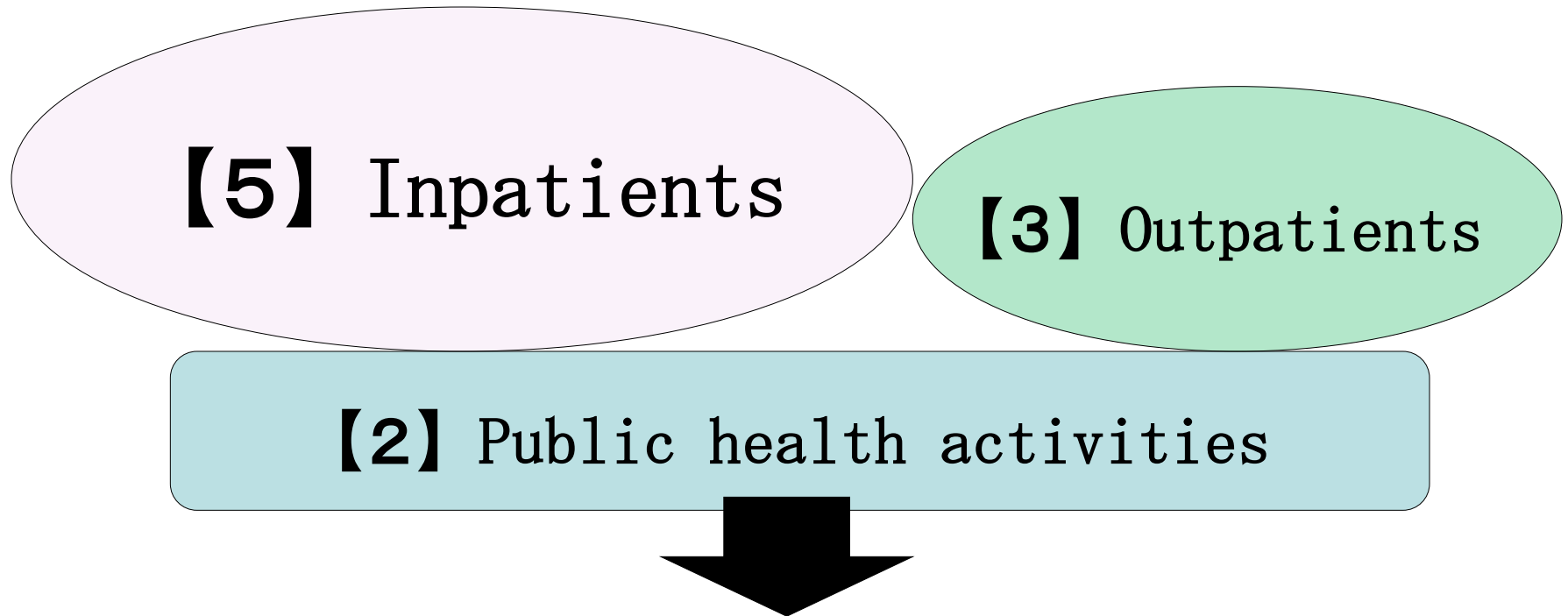
1959年



The Hospital Founder
T. Wakatsuki, MD

Saku Central Hospital 「5 : 3 : 2」Method

~ Suppose that the total resources are [10]~



Today, Saku Central Hospital contributes to not only prevention but also community care and welfare.

《Prevention overweighs medical treatment!》

To ensure MDs

Establishing our own MDs training system

◆ 1954～1967

accepted about 100 interns

◆ designated an official teaching hospital since 1968

◆ positively accept university students for practical medical training

◆ open recruitment all over the country

⇒ elimination of academic clique

Accumulated number of newly recruited MDs : 369

Have one's fingers in two pies

- ① Highly-advanced medical treatment
 - Mission as the regional center hospital
- ② Healthcare rooted in the communities
 - primary care at clinics
 - expanding home care
 - comprehensive diagnosis and treatment



What types of MDs are needed Today?

Aging society
(Increase of chronic disease
& Comorbid multi-disorder)



More GPs are needed



Promote the education system for primary care
(ex. Comprehensive diagnosis and treatment
Comprehensive outpatient services)

**A MD who works in a region can be trained
only in the region.**

Oumi Satellite Hospital

<History>

- ◆2003 : Saku took over a hospital which Red Cross abandoned
- ◆2005 : Completion of a new hospital
- ◆2009 : returned to profitability

<Main role>

- back up 4 clinics in the area
⇒ 3 of them are operated
by young female MDs
- accept MDs who wish to work in the rural area



IV. Building an Integrated Healthcare Network

Limitation of a stand alone hospital system in Saku Central Hospital

<Internal factors>

- ◆ Specialization and advancement of healthcare services
- ◆ Aging buildings (Most of Saku Central Hospital facilities are over 40 year old)
- ◆ Increase of inpatients and outpatients

<External factors>

- Functional decline of other healthcare organizations around Saku Central Hospital



Transformation into IHN is badly needed

Rebuilding a new Saku Central Hospital

■ Under accelerated medical technology advancement and functional specialization, it is difficult for a stand alone hospital system to continue the efficient management.

■ Aging of the whole hospital



In order to survive, the key word is” Selection & Concentration” on healthcare services



However, if hospitals in this area do not cooperate for Selection & Concentration, we can not accomplish the optimum allocation of healthcare resources.



Saku Central Hospital should be divided into 2 facilities, a highly advanced hospital and an standard hospital. The advanced one will be built at a different location in this second level healthcare district

Saku Central Hospital Rebuilding Plan

■ Announcement of Rebuilding Plan (2001)

To divide the current Saku Central Hospital into 2 facilities

Core Medical Center for highly advanced medical services

Regional Healthcare Center for general medical services

■ Basic Principle

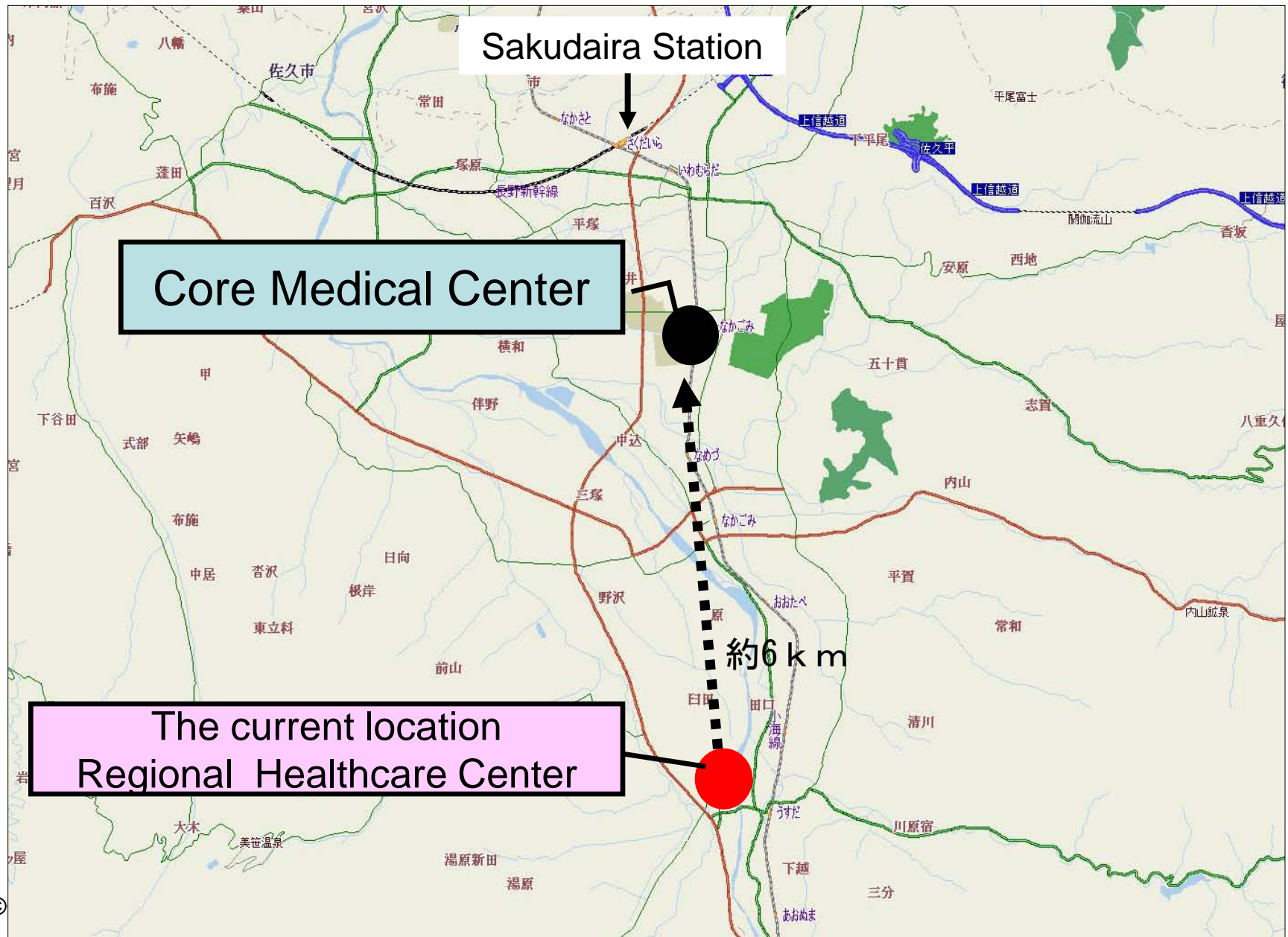
Core Medical Center ... more convenient location

Completion in 2013

Regional Healthcare Center... the current location

Completion in 2016

Location of a new Core Medical Center



To maximize the utilization of limited
healthcare resources in a regional
healthcare district



Selection & Concentration

Grand design of functional share between 2 Centers

Regional healthcare Center		Core Medical Center
Regional hospital in the second level healthcare district	Mission	Core hospital in the third level healthcare district (the whole area in Nagano)
<ul style="list-style-type: none"> ・救急を含む総合一般診療 ・慢性期医療 ・回復期リハビリテーション ・通院リハビリセンター ・緩和ケア ・精神科病床 ・高齢者医療・福祉 ・在宅医療 ・健康管理センター・健康増進センター ・老人保健施設 	Principal function	<ul style="list-style-type: none"> ・ER Center ・Cancer Center ・Electronic Medical Record Center ・Disaster medical care Center ・紹介中心の専門外来・一般外来 ・高機能診断センター（共同利用） ・センター的機能 （周産期医療、消化器、循環器、脳血管等） ・在院日数の短い一般病床 ・特殊治療病床、感染症病床 ・オープンベッド、手術室 ・治験等研究部門
300 beds	Beds	450 beds
<ul style="list-style-type: none"> ・看護専門学校 ・研修医研修、医学生、看護学生研修 ・海外研修生受け入れ <p>©佐久総合病院 西澤延宏</p>	Medical staffs training	<ul style="list-style-type: none"> ・研修医研修、医学生、看護学生研修 ・消防救命士研修生 ・4年制看護大学との連携 ・海外研修生受け入れ

Merit & Demerit of 2 Centers Rebuilding Plan

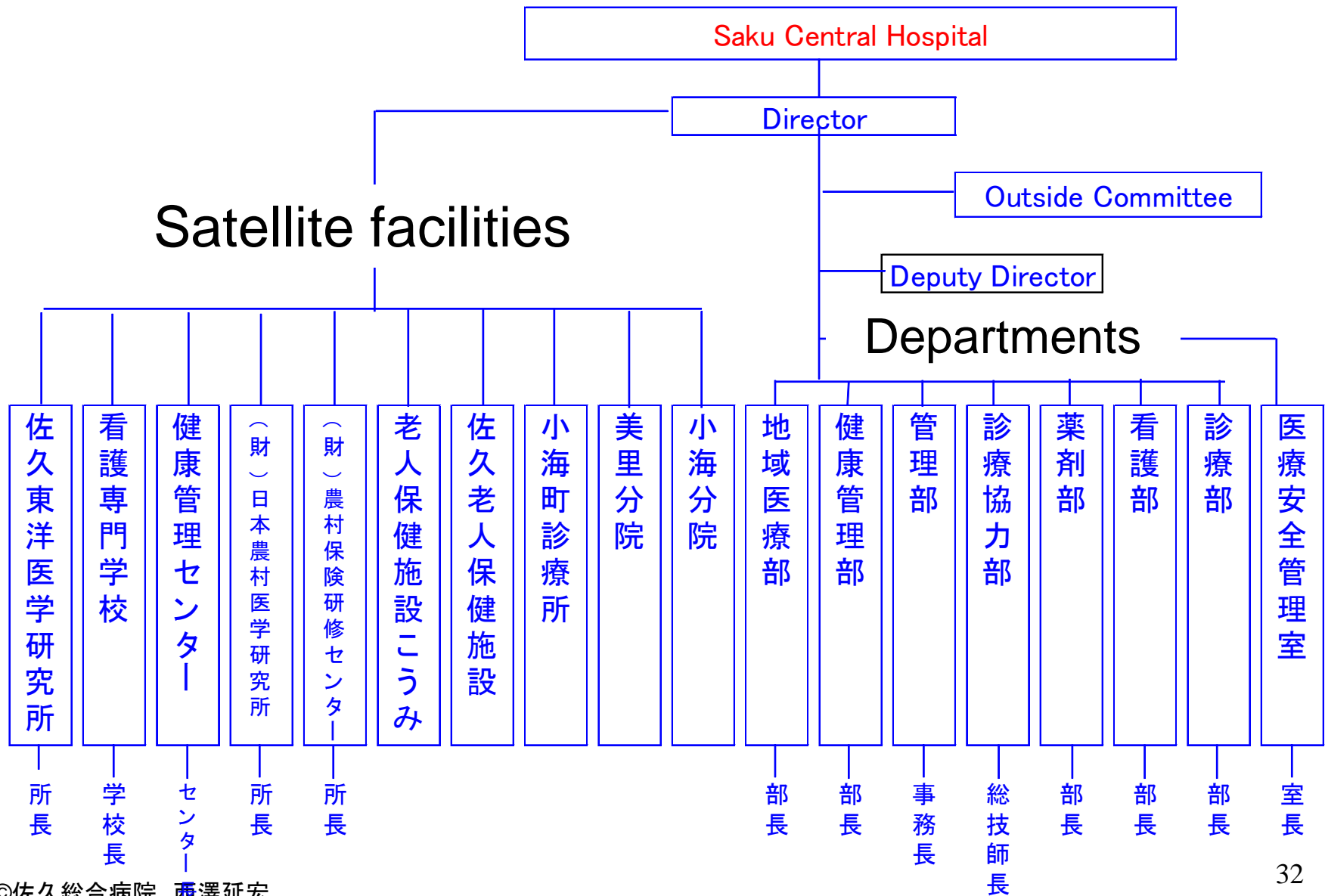
(Merit)

- ◆ Improving the convenience by relocation at a traffic key spot
- ◆ Improving the managerial efficiency by specialization of healthcare services
- ◆ Getting designations of a regional center hospital, etc
- ◆ Getting support from the residents in the current location

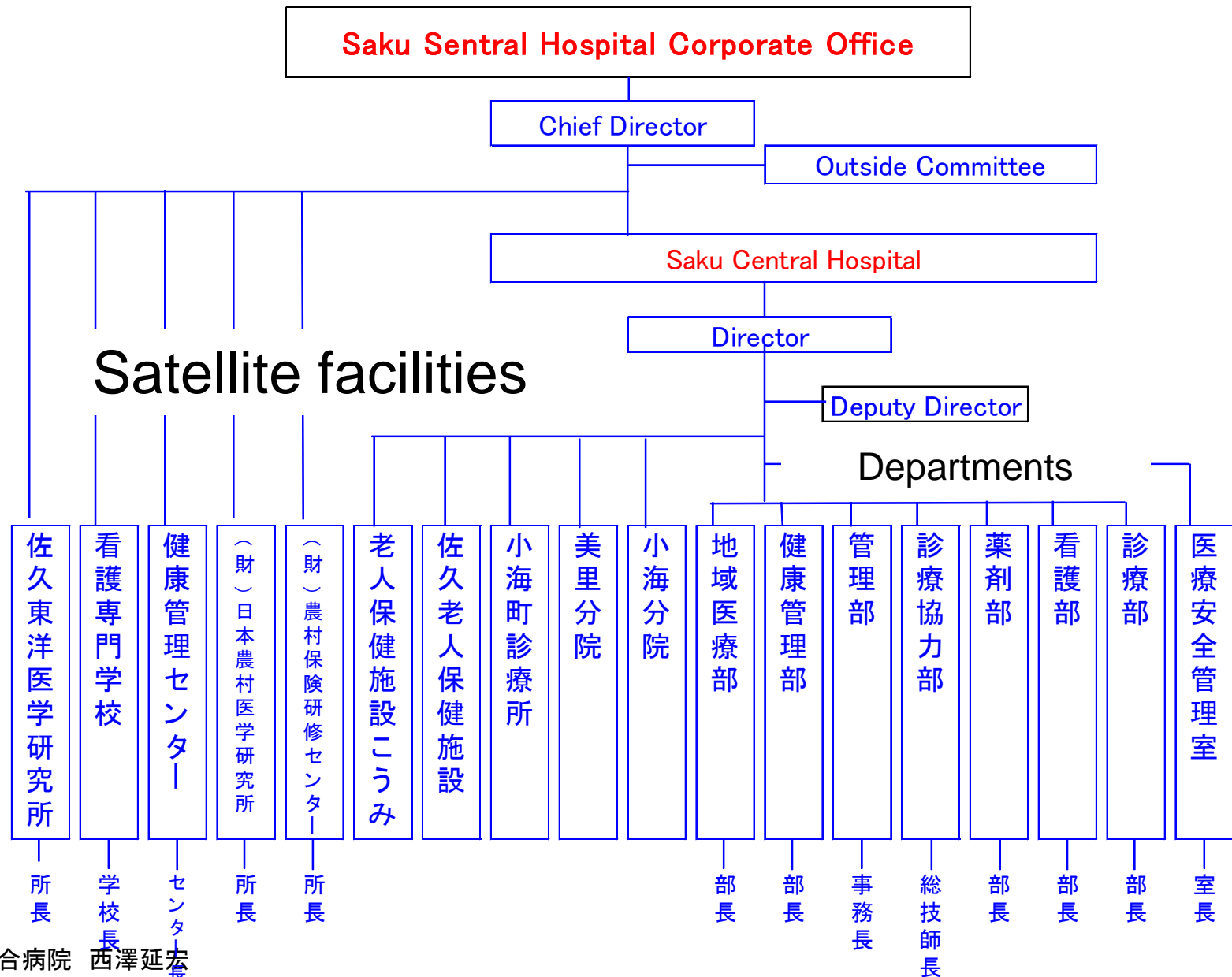
(Demerit)

- Overlapping investment and More staffs are needed
- Staffs who are in charge of 2 Centers are forced to be overworked
- Undermining the organization integration culture

Governance Structure until 2009



Governance Structure from 2010



To create Japanese version of IHN

- ◎Implementation of standardized clinical protocol
- ◎Group purchasing of drug medicine and medical devices
- ◎Setting up a feeding center and a materials management center
- ◎Medical information sharing by EMR system



Creating a benchmarking system as Kouseiren



***More powerful management integration
in Kouseiren***

What is IHN (Integrated Healthcare Network) ?

- ◎Vertical Integration among a variety of healthcare organizations.
- ◎Pursuing both quality improvement and cost reduction at the same time through seamless healthcare services
- ◎In the 1980's, Kouseiren Group was No.1 IHN in the world. (by Dr. Matsuyama)
Because an IHN did not exist in the other countries.

Next method for improving hospital management

Performance analysis and improvement by using **DPC**

DPC= Diagnosis Procedure Combination

The similar concept to DRG



DPC comparison analysis with other hospitals

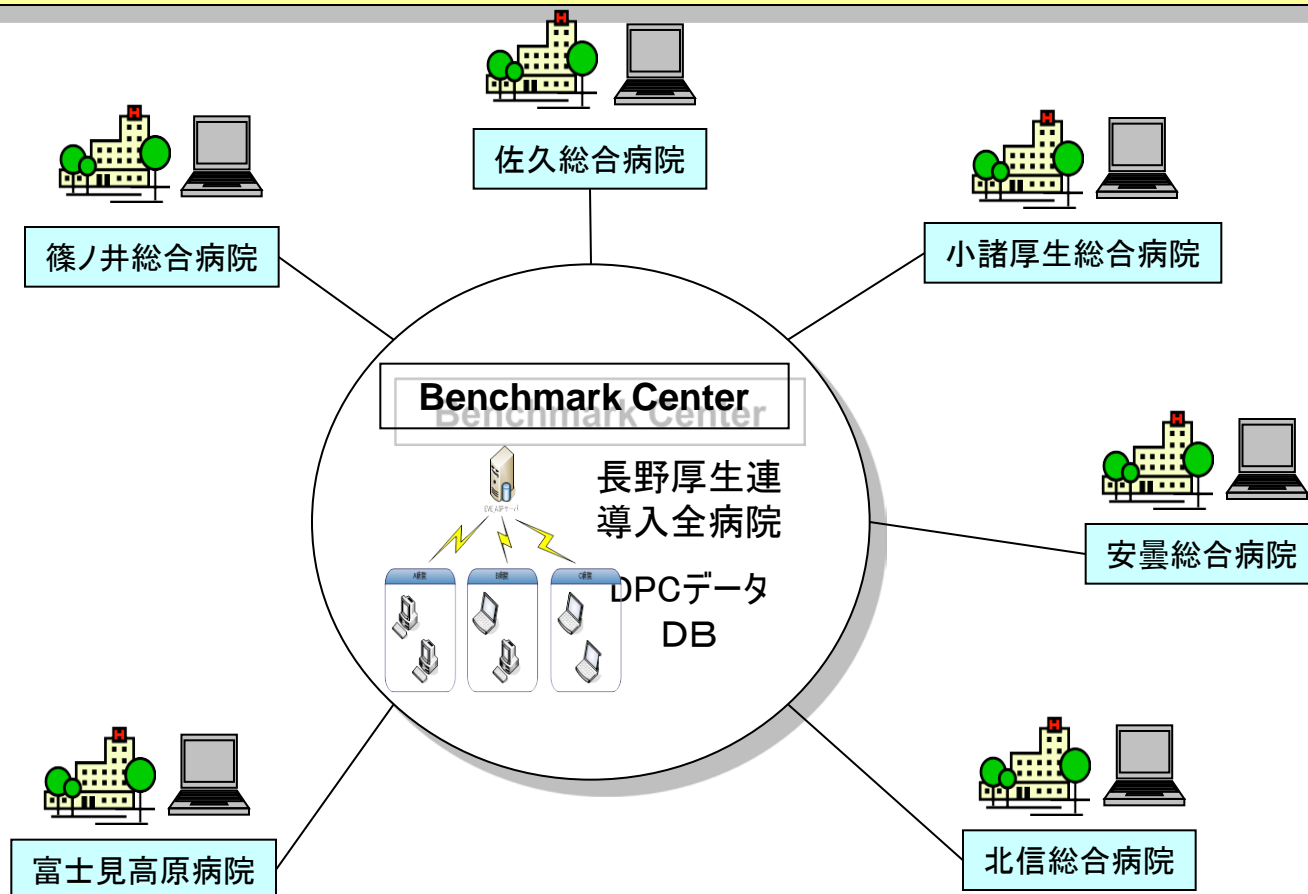
<Benchmark>

- ◆ Comparison with other Kouseiren hospitals
- ◆ Comparison with other hospitals in Nagano Prefecture
- ◆ Comparison with the top level hospitals

The benchmarking system which provides comparison with many hospitals is needed

Benchmarking program in Nagano Kouseiren

他病院の詳細データとベンチマークすることにより、自院における改善（医療の質・経営の質）が促進できる。



We can reference a data by a case with the name of hospital

Objectives of Benchmarking program

- ◎Improving transparency by benchmarking
(To foster a sense of competition in Koseiren)
- ◎Standardization of healthcare services in
Nagano Kouseiren Group
- ◎Analysis of low case-mix index healthcare
services in Nagano Prefecture
(=Healthcare with low cost & high quality)

DPC Research Committee in Nagano Kouseiren

By benchmarking program among DPC designated hospitals in Nagano Kouseiren, we share the information of advantages and problems to improve our performance

- ◆ Making mutual pathway
- ◆ Benchmarking of nursing
- ◆ Publishing DPC news letter
- ◆ Implementing cost accounting



<Final Goal>

***Standardization of clinical protocol,
drug medicine and medical devices***

Conclusion

- ① Saku Central Hospital pursues “No.1 regional healthcare provider in Japan” by building a seamless IHN in Saku area.
- ② We enhance the integration as Nagano Koseiren.