Summer Training at
Rockland Hospital, New Delhi
(9th April – 1st June 2012)

Surgical Procedure Packages governed by the CGHS tariff list

By
Yashi Kapoor

Under the guidance of
Dr. Monika Choudhary

Post Graduate Diploma in Hospital and Health Management
2011-2013

Institute of Health Management Research,
Jaipur
2012

INSTITUTE OF HEALTH MANAGEMENT RESEARCH
1, Prabhu Dayal Marg
Sanganer Airport, JAIPUR - 302 011, INDIA
Tel. : 3924700, 2791431-32
Fax : 91-141-3924738
E-mail : iihmr@iihmr.org
URL : http://www.iihmr.org
Gram : HEALTHINST

Certificate

This is to certify that Dr. Yashi Kapoor from Institute of Health Management Research, Jaipur has undergone Summer Training in Rockland Hospital, Qutub Institutional Area, New Delhi from 9th April, 2012 to 1st June, 2012.

The candidate herself carried out the project. Her approach to the study has been sincere, scientific and analytical. This summer training is partial fulfillment of the course requirement is recommended for the award of post graduate diploma in health and hospital management.

I wish her success in all her future endeavors.

Dr. P.R.Sodani
Dean (Academic and Students Affairs)
IHMR, Jaipur

Dr. Monika Chaudhary
Assistant Professor
IHMR, Jaipur

NABH
Accredited Hospital

ROCKLAND HOSPITAL
Where caring is a way of life...
(A Unit of Rockland Hospital Ltd.)

UKAS QUALITY MANAGEMENT
ISO 9001:2008
Certified Hospital

TO WHOM IT MAY CONCERN

June 4, 2012

This is to certify that Dr. Yashi Kapoor, a student of the **Post-Graduate Diploma in Hospital Management,** has worked under our guidance and supervision during the period from April 9-June 1, 2012. Dr. Yashi is submitting internship project titled **"Surgical Procedure Packages governed by the CGHS Tariff List"** in partial fulfillment of the requirements for the award of the **Post Graduate Diploma in Hospital Management.**

This internship project has the requisite standard and to the best of our knowledge no part of it has been reproduced from any other dissertation, monograph, report or book.

Dr. Yashi has worked efficiently & diligently across departments such as Front Office administration, Operations.

We wish her success in all her future endeavors.

For & on behalf of Rockland Hospital,

Kitty Lalwani
Dy. Director-Human Resources

B - 33-34, Qutab Institutional Area, New Delhi - 110016, India
Tel. : +91-11-41222222, 47667100 - 7499 Fax : +91-11-41688765
E-mail : info@rocklandhospital.net, Website : www.rocklandhospital.com

CERTIFICATE

This is to certify that Dr Yashi Kapoor, who interned at Rockland Hospital, New Delhi from April 9th –June 1st 2012 has carried out the project titled "Surgical Procedure Packages governed by the CGHS Tariff list" in partial fulfilment of the requirements of the award of the Post Graduate Diploma in Hospital Management from the IIHMR Jaipur.

Date : 04June 2012

Dr Arun K Datta
MBBS; ,MD; DHHM
VP Operations (Medical)

ACKNOWLEDGEMENT

I take this opportunity to acknowledge the guidance given to me to throughout the duration of this project. This project would not have been possible without the help extended to me by the staff of Rockland Hospital, New Delhi.

At first, I wish to thank my Mentors **Maj Gen** (**Dr). R.K.Garg, AVSM. (retd) Executive Director of the Rockland Hospital group and Dr. Monika Chaudhary (IIHMR)** whose encouragement & guidance have been of immense value throughout the tenure of my internship at Rockland Hospital, New Delhi. I also owe my thanks to **Dr. A.K.Datta**, **Vice President Operations (Medical**) whose suggestions and supervision have been of tremendous support and inspiration. I am deeply grateful to their detailed and constructive help throughout my project.

I wish to, also, express my warm and sincere thanks to Mr Bipin (IT Head) ; Mr.Gyan, (Finance) Mr.Bijoy (OT Billing); Mr.Harish (IPD Billing) who contributed and their support and guidance have been of great importance, helping me easily collect the necessary information . I am highly obliged to the all the staff of Rockland Hospital for their support and help.

TABLE OF CONTENTS

List of Tables and Charts

Abbreviations

- CGHS- Central government health scheme
- ECHS - Ex-servicemen Contributory Health Scheme
- PSU – Public Sector Units
- OPD – Out Patient Department
- IPD – In Patient Department
- CSSD – Central sterile services department
- OT – Operation theatre
- AIIMS – All India Institute Of Medical Sciences
- ICU – Intensive Care Unit
- CCU – Critical Care Unit
- NICU – Neonatal Intensive Care Unit
- NABH – National Accreditation of Board of Hospitals
- CMO – Chief Medical Officer
- IPID No – In Patient Identity Number
- IOLs – Intra Ocular Lens
- ORIF – Open Reduction with Internal Fixation
- LAP surgery – Laparoscopic surgery
- GI Surgery – Gastro Intestinal Surgery
- PAC – Pre Anaesthetic Check-up
- GA – General Anaesthesia
- SA – Spinal Anaesthesia
- LA – Local Anaesthesia
- CABG – Coronary Artery Balloon Graft
- IV Set – Intra Venous Set
- PCNL – Percutaneous NephroLithotripsy
- TURP – Trans Urethral Resection of Prostate
- TKR – Total Knee Replacement
- THR – Total Hip Replacement

ABOUT THE HOSPITAL

Rockland Hospital has redefined the healthcare delivery system in India.
Its motto"W*here caring is a way of life"*, is the guiding principal for the entire Rockland family.

Located in Qutub Institutional Area in the close proximity of the lush green Sanjay Van, the Rockland Hospital is run by the Foundation For Applied Research in Cancer (FARC) of which Shri Rajesh Srivastava is the Chairman.

Today, Rockland hospital is a multi-specialty hospital, with focus on specialization with perfection. A diligent team of professionals and highly qualified doctors renowned in their respective fields of specialty like Padmashree Prof. (Dr.) P.K. Dave (Orthopaedics) and Prof. (Dr.) M.P. Sharma (Gastroenterology), Dr. KK Pandey (Oncology), are a part of the Rockland family.

Special attention has been given to the design and anaesthetics of different categories of rooms for the patient. The ultra modern, technically advanced operation theatres with laminar airflow and pneumatic instruments are well equipped to carry all sorts of sophisticated surgery. Post-Operative and Intensive-Care beds connected to a centralized gas supply and an advanced monitoring system are supervised by experienced and trained nursing staff.

Strategically designed health packages are a noteworthy feature of the hospital services. They have been planned keeping economy and the highest standards of quality under consideration, with an aim to benefit each and every stratum of society.

The visionary behind the Rockland Hospital, Shri Rajesh Srivastava relentlessly strives to contribute to the growth and development of society keeping the cultural traditions intact. The idea behind starting this hospital was to provide quality services to society at all times.

The Rockland Hospital has created a niche for itself in a short span of time both within the medical fraternity and patients. The group has started expanding its Healthcare Network with the construction of a multi speciality Hospital at Manesar. The five acre site is situated at the prime location at IMT Manesar and is right on the NH 8. It will cater to the huge workforce at the IMT Manesar. The site is also near the proposed Reliance SEZ and KMP Highway. Two more Hospitals are being initiated one at Greater Noida in Uttar Pradesh for which 5 acres of land is already acquired and the second one at Dwarka

Vision & Philosophy

To use multidisciplinary approach with ethical practices by a team of highly responsive, caring and efficient professionals with a constant focus on excellence in delivering medical services in patient care, continuing medical education, scientific knowledge and deliver benchmarked quality medical care.

Rockland Philosophy

Every Organisation, Every Society, Every Nation, Every Group Strives for Success And Recognition.
Each Individual Member of the Group Endeavours to be held in universal Respect and Esteem; To Gain Prosperity, Wealth, Personal Fulfilment and Dignity.

The Rockland Logo

Blue: symbolises security and trust
Red: epitomises energy and dynamism

- The Rockland logo symbolises our commitment to provide world-class services while maintaining the highest standards of excellence.
- The logo is dynamic and poly-symbolically imbued with emotive and conceptual values such as life and hope.
- The arrow circling round to the point of origin is a symbol of continuity and integrity, as well as a personalised and holistic approach to individual care.

SPECIALITIES

Anaesthesiology & Critical Care
Cardiology
Dental & Facio Maxillofacial
Dermatology
Dietetics & Nutrition
ENT
Emergency & Trauma Care
Gastroenterology & Endoscopy
General & Laparoscopic Surgery
Internal Medicine
Nephrology
Neurology
Ophthalmology
Orthopaedics
Obstetrics & Gynaecology
Oncology

Psychiatry
Physiotherapy
Paediatrics
Pulmonology & Critical Care
Plastic Surgery
Urology

SERVICES

ICU, KTU & NICU (17 beds)

3 OTs , CSSD including Day Care Unit

Labour Room

Endoscopy, Bronchoscopy Lithotripsy

Dialysis unit Arthroscopy, Colposcopy

Uroflometry Operating Microscope

CT scan

Mammography

Physiotherapy & Rehab Centre

Blood Bank

Telemedicine

TMT, PFT

Routine & Specialized X-Rays

Ultrasound, ECHO Cardiogram,

Doppler

Floor wise arrangement of the Departments

Basement

General OPD

Pharmacy

Laboratory

Radiology

Physiotherapy

Oncology OPD

IT Department

Finance & Accounts

Ground Floor

Front Office

Day care unit and Emergency

CSSD

Operation theatre – (1)

Cardiac OPD

ECG, TMT, PFT, ECHO Cardiogram

Dental

Blood Bank

Food and Beverages

Human resources

Quality

Gas manifold

Store

Maintainence

Health Check ups

First Floor

Operation theatre – (2)

ICU (Medical and Surgical), NICU

Dialysis unit Arthroscopy, Colposcopy

Labour room

Endoscopy, Bronchoscopy, Lithotripsy

Second Floor

Wards

CT Scan

Mammography

Third Floor

Wards

Fourth Floor

Medical Records department (MRD)

Purchase

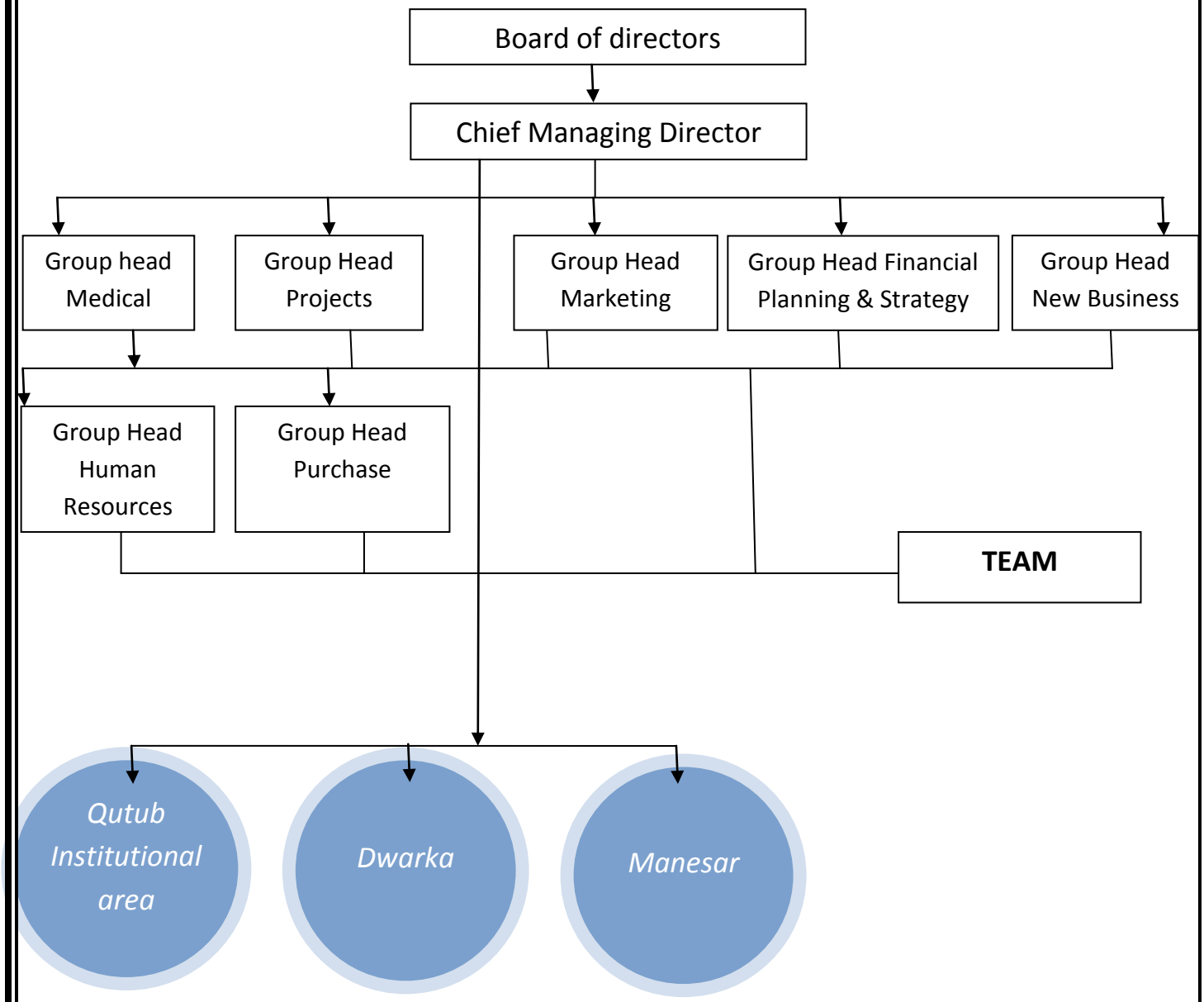
Housekeeping

Marketing

Nursing

Trustees & executives

ORGANOGRAM



Team

- AVP
- Senior Manager
- Manager
- Deputy manager
- Assistant Manager
- Senior Executive
- Executive
- Trainee
- Supervisor
- Field boy

INTRODUCTION

Introduction

The CGHS has laid down standardised rates for procedures to ensure uniformity across the country. These are based on the rates laid down by AIIMS. These are to be strictly followed by the hospitals while billing patients covered by the CGHS. These rates have also been adopted by other Governmental / public sector units and the ECHS so it becomes imperative for every hospital to work on this tariff.

These rates are lower than that of the general hospital tariffs resulting in the implementation of especially pre- designed packages which are cost effective but still do not impede on patient care.

The formulation of such packages is an exhaustive exercise which includes the collection, collation and implementation of packages acceptable to the consultants and the hospital administrators.

All private hospitals irrespective of the basic nature of its constitution aim at making a profit from its business activities. The business generated by organisations who have adopted the CGHS tariff is too large to be ignored forcing all such hospitals to look into the components of the CGHS packages thereby implying that cost containment which takes on a bigger role for the delivery of services for such patients.

Aim/Objective

a. To study the components and compilation of a Surgical Procedure Package governed by the CGHS tariff.

b. To analyse the difference in the CGHS/ECHS tariff rate list & the hospital tariff for two surgical procedures.

Background

Empanelment of hospitals for differential CGHS tariff

CGHS had initiated action for fresh empanelment of private hospitals under CGHS, Delhi (which covers areas in Delhi, Faridabad, Gurgaon, Ghaziabad and NOIDA) along with the rest of the country. In order that CGHS beneficiaries get treatment from well maintained run hospitals, it has been decided to have differential rates of reimbursements for NABH accredited hospitals & non- NABH accredited hospitals/super speciality hospitals.

NABH accredited hospitals will be entitled to reimbursement of certain percentage of additional amount over & above non- NABH accredited hospitals. Rates for super-speciality hospitals have been identified separately and notified in the rate list given by CGHS and these hospitals are:

- Cardiology & Cardio-thoracic surgery
- Joint replacement surgery made under orthopaedics
- Nephrology & Urology including renal transplantation;
- Endocrinology ;
- Neurosurgery;
- Gastro-enterology & GI surgery; and
- Oncology

DEFINITION AND SPECIAL NATURE OF CGHS SURGICAL PROCEDURE PACKAGES

A. **"Package Rate"** shall mean & include lump sum of inpatient treatment / day care / diagnostic procedure for which a CGHS beneficiary has been permitted by the competent authority or for treatment under emergency from the time of admission to the time of discharge including –

1. Registration
2. Admission
3. Accommodation including patients diet
4. Surgery (surgeon fees, anaesthetist fees, OT & OT gas charges)
5. Injection
6. Dressing
7. Doctor consultant visit charges
8. ICU/CCU charges
9. Anaesthesia charges
10. Transfusion charges
11. Pharmacy & Consumables
12. Related & essential investigations
13. Physiotherapy & Nursing Care charges.

B. Cost of Implants / stents / grafts is <u>reimbursable in addition</u> to package rates as per CGHS ceiling rates for Implants / stents / grafts or as per actual , in case there is no CGHS prescribed ceiling rates. This specially applies to coronary stents and IOLs

C. Treatment charges for new born baby are separately reimbursable in addition to delivery charges for mother.

D. The hospitals empanelled under CGHS shall not charge more than the package rate/rates.

DURATION OF ADMISSIONS UNDER THE CGHS

Package rates envisage up to a maximum duration of indoor treatment as follows:

- 12 days for Specialised(Super Specialities) treatment;
- 7 days for other Major Surgeries;
- 3 days for Laparoscopic surgeries/normal deliveries; and
- 1 day for day care/ Minor (OPD) surgeries.

However, if the beneficiary has to stay in the hospital for his/her recovery for a period more than the period covered in package rate, in exceptional cases , supported by relevant medical records and certified as such by hospital, the additional reimbursement shall be limited to accommodation charges as per entitlement investigation charges at approved rates , and doctors visit charges(not more than 2 visits per day per visit by specialists/consultants) and cost of medicines for additional stay.

No additional charge on account of extended period of stay shall be allowed if that extension is due to infection on the consequences of surgical procedure or due to any improper procedure and is not justified.

CLASSIFICATION OF ACCOMMODATION

CGHS beneficiaries are entitled to facilities of private, semi-private or general ward depending on their basic pay / pension. The entitlement is as follows:-

S.No.	Basic Pay (without the inclusion of grade pay)	Entitlement
1.	Up to Rs. 13,950/-	General Ward
2.	Between Rs.13,951/- and Rs. 19530/-	Semi-Private Ward
3.	Rs. 19540/- and above	Private Ward

The Package rates are for semi- private ward. If the beneficiary is entitled for general ward there will be a decrease of 10% in the rates; for private ward entitlement there will be an increase of 15%. However, the rates shall be same for investigation irrespective of entitlement, whether the patient is admitted or not and the test per se does not require admission to hospital.

A hospital empanelled under CGHS, whose normal rates for treatment procedure / test are lower than the CGHS prescribed rates shall charge as per the rates charged by them for that procedure / treatment from a non –CGHS beneficiary and will furnish a certificate to the effect that the rates charged from CGHS beneficiaries are not more than the rates charged by them from non CGHS beneficiaries.

Private Ward is defined as a hospital room where single patient is accommodated and which has an attached toilet (lavatory & bath).The room should have furnishing like wardrobe, dressing table, bed side table, sofa set, carpet, etc as well as a bed for attendant. The room has to be air-conditioned.

Semi Private Ward is defined as a hospital room where two – three patients are accommodated and which has attached toilet facilities & necessary furnishings.

General Ward is defined as halls that accommodate four to ten patients.

Normally treatment in the higher category of accommodation is not is not permissible. However, in case of emergency of an emergency when the entitled category accommodation is not available is not available, admission in the immediate higher category may be allowed till the entitled category accommodation becomes available. However if a particular hospital does not have the ward as per entitlement of the beneficiary , then the hospital can only bill as per entitlement of the beneficiary even though the treatment was given in higher type of ward.

REFERRAL / ADMISSION PROCESS

In case of non-emergencies, the beneficiary shall have the option of availing specific treatment / investigation from any of the empanelled hospitals of his/her choice (provided the hospital is empanelled for that treatment procedure / test), after the same has been advised by CGHS / Government specialist / CMO in charge & permission from competetent authority.

It has now been decided that CGHS beneficiaries desirous of getting treatment in hospitals in non emergency conditions prior approval of concerned Additional Director, CGHS would have to be obtained.

Hospitals shall provide credit facility to the following categories of CGHS beneficiaries (including dependent family members, whose names are entered on CGHS card) on production of valid permission letter:

- Members of Parliament ;
- Pensioners of central government drawing pension from central estimates;
- Former Vice-presidents, Former Governors and former Prime Ministers;
- Ex-Member of Parliament;
- Freedom Fighters;
- Serving CGHS employees
- Serving employees of Ministry of Health & Family Welfare (including attached/ subordinate offices under the Ministry of Health & Family Welfare); and
- Other categories of CGHS cardholders as notified by the Government.

If one or more minor procedures form part of a major treatment procedure, then package charges would be permissible for major procedure and only at 50% of charges for minor procedure.

STANDARD COMPONENTS OF A CGHS PACKAGE

The major components of a CGHS package are

1. Package Value

2. Room rent

3. Investigations

4. Consultation fee

5. Surgery procedure fee- This includes the
    - Surgeon's fee
    - Anaesthetist's fee
    - OT charges
    - OT gas charges
    - Special equipment charges etc

6. Medicines and consumables

7. Bedside procedures

   The existing practise amongst hospitals is to distribute the package under the following heads to ensure that the segmented costs are covered and that better administrative control is exercised over such billing.

METHODOLOGY

Methodology

Study Design

Cross Sectional Descriptive study design.

Source of Sample

Rockland Hospital, Qutub institutional Area, New Delhi.

Sample Size

20 Surgeries whose packages were to be made were taken and for each surgery IPID bills of 4 -5 patient were selected.

Sampling Method

Purposive sampling was used for collection of data. Data was collected from 15th April to 25th May 2012.

DATA COLLECTION

Data Collection

Procedure:

IPID number of a particular surgery for which CGHS package was to be made was selected randomly. Every 3rd, 6th, 9th, 12th IPID number of that particular surgery was selected. These numbers were taken from IT department of the hospital.

Now after getting 4-5 different IPID number, bills along with the breakup of these IPD patients was collected from IPD billing section of the hospital.

Before getting details of Pharmacy & Consumables and its analysis the other sections like Surgery Package Code & Value are taken from CGHS tariff list which are on NABH guidelines.

For e.g.

Package Code – 798 NABH **Package Value – Rs 28750/-**

Package - Bilateral Percutaneous Nephrolithotripsy (PCNL)

Now important points to be remembered about forming a surgery package are :

A. Type of Anaesthesia

- General,
- Spinal,
- Spinal + Epidural,
- Local.

According to this we finalize a list of Pharmacy that is used in OT by the Anaesthetist .The Pharmacy list is almost fixed for each type of anaesthesia which is mentioned in Annexure.

B. OT Period

This is the time recorded by the anaesthetist when the anaesthesia starts till the surgery is completed and anaesthesia finishes. This can be said as time between Anaesthesia starting time (AST) and Anaesthesia finishing time (AFT).This is important because the use of **OT gas (ISOFLURANE**) in surgeries done under **GA** in terms of usage per minute is recorded for billing purposes and replicated in packages for the respective surgery. It is taken from OT billing department.

C. Package Period

CGHS had already decided about maximum treatment period for indoor patients according to the surgery type:

- 12 days for Specialised(Super Specialities) treatment;
- 7 days for other Major Surgeries;
- 3 days for Laparoscopic surgeries/normal deliveries; and
- 1 day for day care/ Minor (OPD) surgeries

COMPONENTS OF A SURGICAL PROCEDURE PACKAGE

Package value is for Semi-private ward of hospital. If the beneficiary is entitled for general ward there will be a decrease of 10% in the rates; for private ward entitlement there will be an increase of 15%. For e.g.

Total Package Value: -

- **Rs 13800/-** Entitled for semi private ward.
- 13800 – 13800*0.1(10%) = 13800 *0.9 = **Rs 12420/-** Entitled for general ward

13800 + 13800*0.15 = 13800 + 2070 = **Rs 15870/-** Entitled for private ward

Room Rent

By deciding the Package period we decide the Room Rent or Accommodation charges for the CGHS beneficiaries. Room Rent is distributed for the **CGHS** beneficiaries. For e.g.

A. Room Rent Charges for 1 day (fixed cost) (Rs)	**B. Type of ward**	**C. Package Period (No. of days of accommodation)**	**D. Total cost (Rs) D = A*C**
1000/-	General Ward	7	7000/-
2000/-	Semi-Private Ward	1	2000/-
3000/-	Private Ward	3	9000/-

Investigations

This procedure depends on the type of surgery, patient factors like age, any medical history of disease, condition of patient etc. But nearly for every surgery package we go for PAC (Pre anaesthetic Check-up) as to see whether patient can withstand anaesthesia.

Consultation fee

Consultation fee is fixed for all the NABH accredited hospital which is :

For Inpatients – Rs 72/-	**For OPD – Rs 58/-**

Pharmacy and Consumables

Now basically the Pharmacy and Consumables used in every patient's bill of that particular surgery is analysed in terms of quantity, unit price and the total amount spent on each medicine and consumables used. The medicines along with appropriate quantity which were common in all the bills were taken for the package. Commonly used consumables were extracted from all the IPD bills of patients and taken into the packages to be made.

Those which were expensive; their other alternatives (other brand with same chemical compound) were delivered to the patients under the guidance & supervision of consultants and checked in terms of quality & quantity. This is done because **Package Value** of some

packages is very restricted for the whole procedure. Here cost containment becomes critical. So we select cost effective medicines to meet the requirements of procedure in an effective way. The analysis of pharmacy and consumables of various surgical procedure packages is given in Annexure.

Then the analysed list of Pharmacy & Consumables is cross-checked for Pre-op, Intra OT and Post-op consumption by Anaesthetist (Intra OT) and the Surgeon (Ward) of the associated surgery. The separation of OT and Ward Pharmacy and Consumables is to be done to avoid any problems later.

Bed Side Procedures

This includes procedures like nebulisation, catheterisation, peritoneal / pleural taps, dressings, suturing etc.

Surgery Procedure fee: It includes

Surgeon fee – It is basically 1/3rd of the total "Package Value" but we mostly cut on this as a measure to reduce the loss and for cost effectiveness. For e.g.

If Package Value - Rs. 13800/-

Surgeon fee = Package Value * 0.33(33%)

= 13800*0.33 = **Rs 4554/-**

OT charges – It is 60% of Surgeon fee as per any package is concerned. For e.g.

Surgeon fee = Rs 4554/-

Anaesthetist fee = Surgeon fee* 0.6

=4554*0.6 = **Rs 2732.4/-**

Anaesthetist fee – It is 30% of Surgeon fee as per any package is concerned. For e.g.

Surgeon fee = Rs 4554/-

OT charges = Surgeon fee* 0.3

= 4554*0.3 = **Rs 1366.2/-**

OT gas charges – It is 10% of Surgeon fee provided surgery is done under General Anaesthesia.

Surgeon fee = Rs 4554/-

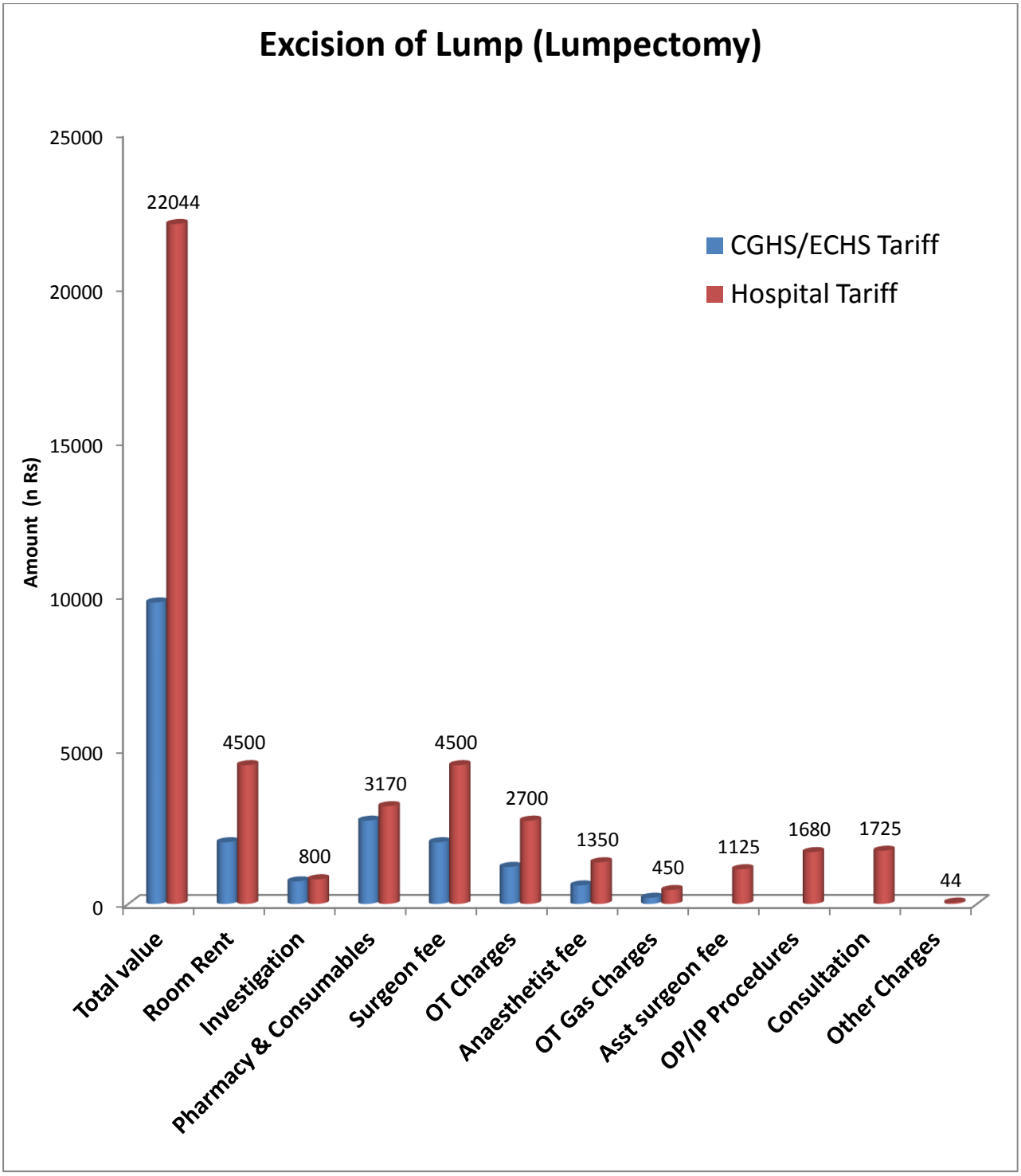
OT gas charges = Surgeon fee* 0.1 = 4554*0.1 = **Rs 455.4/-**

DATA ANALYSIS

Data analysis

Comparison of CGHS laid tariff with Hospital tariff of Surgical Procedure

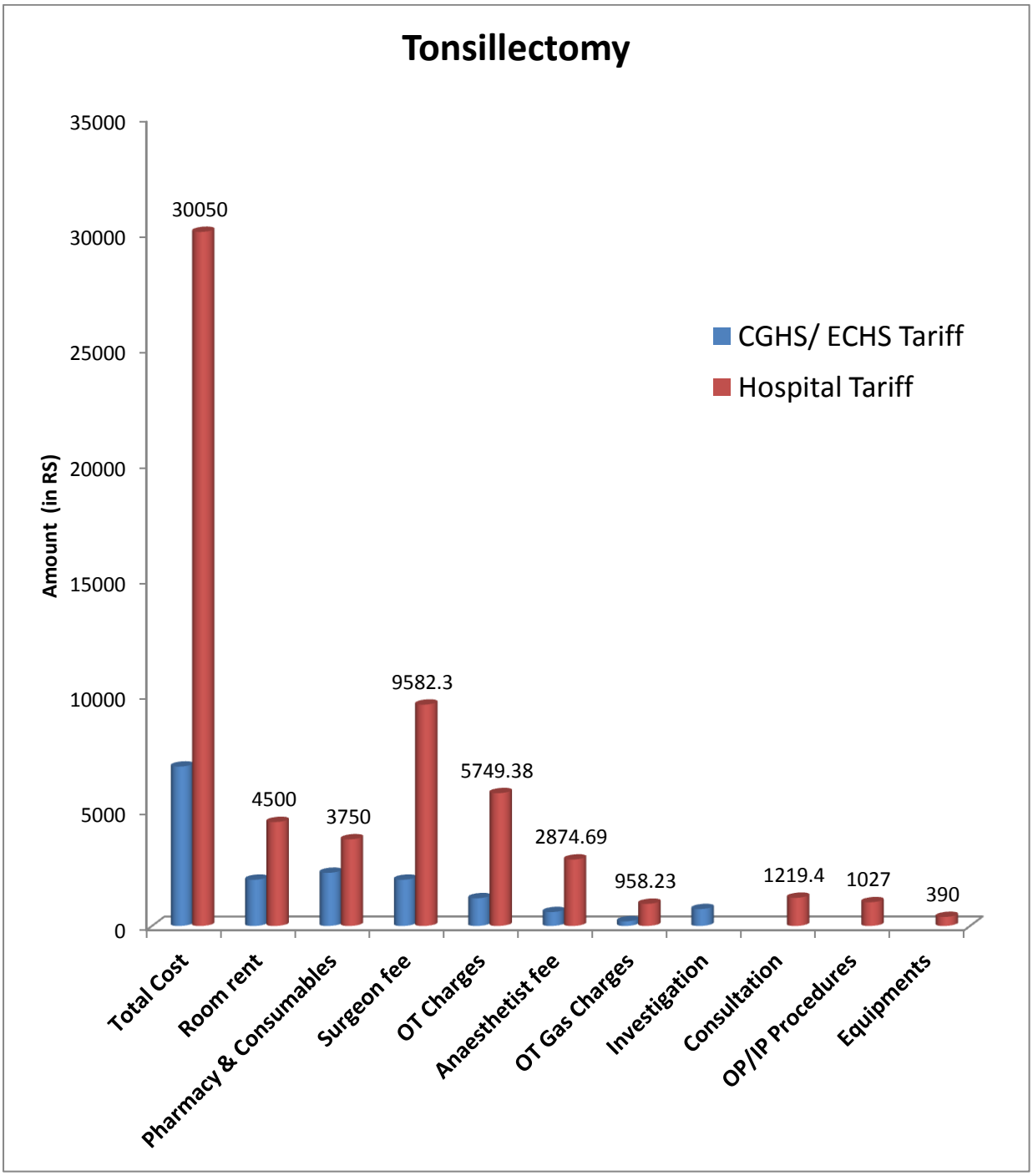
CGHS/ECHS PACKAGE		**HOSPITAL TARIFF 2011**	
Package – Excision of Lump(Lumpectomy) Package Code – 361 NABH		**Surgery - Excision of Lump(Lumpectomy)**	
Item Name	**Value(Rs.)**	**Item Name**	**Value(Rs.)**
Package Value	**9775/-**	**Total Cost**	**22044/-**
Room Rent	2000/-	Room Rent	4500/-
		Consultation	1725/-
Investigation	730/-	Investigation	800/-
		OP/IP Procedures	1680
Pharmacy & Consumables	2700/-	Pharmacy & Consumables	3170/-
Surgeon fee	2000/-	Surgeon fee	4500/-
		Asst. Surgeon fee	1125/-
OT Charges	1200/-	OT Charges	2700/-
Anaesthetist fee	600/-	Anaesthetist fee	1350/-
OT Gas Charges	200/-	OT Gas Charges	450/-
		Other Charges	44/-



Comparison of CGHS laid tariff with Hospital tariff of Lumpectomy

Comparison of CGHS laid tariff with Hospital tariff of Tonsillectomy

CGHS/ECHS PACKAGE		**HOSPITAL TARIFF 2011**	
Package – Tonsillectomy **Package Code – 275 NABH**		**Surgery - Tonsillectomy**	
Item Name	**Value(Rs.)**	**Item Name**	**Value(Rs.)**
Package Value	**6900/-**	**Total Cost**	**30050/-**
Bed Rental	2000/-	Bed Rental	4500/-
		Consultation	1219.4/-
Investigation	730/-	Investigation	
		OP/IP Procedures	1027/-
Pharmacy & Consumables	2300/-	Pharmacy & Consumables	3750/-
Surgeon fee	2000/-	Surgeon fee	9582.3/-
OT Charges	1200/-	OT Charges	5749.38/-
Anaesthetist fee	600/-	Anaesthetist fee	2874.69/-
OT Gas Charges	200/-	OT Gas Charges	958.23/-
		Equipments (light source)	390/-



Comparison of CGHS laid tariff with Hospital tariff of Tonsillectomy

Observation / discussion of result

After analysis of data collected, results are Packages of various surgeries. These packages are basically of three types:

- **Profitable Packages** – Joint Replacements (TKR, THR) , Heart surgeries like CABG, Urology surgeries (PCNL, TURP)

- **Borderline Packages** – Lap cholecystectomy, Lumpectomy

- **Packages in loss** – ORIF, Tonsillectomy, Osteotomy with IF of Long Bones, Short Bones etc.

By doing this type of analysis for critical problems faced on day to day basis by operations department of any empaneled hospital is a great assistance. As IPD (Surgical sector or OT/ICU) is the revenue generating as well as the service providing department of any hospital it becomes utmost important to keep a check on profit and loss making surgeries to avoid any further financial crisis, manage and allocate the resources in a better way.

- So profitable surgeries must be promoted more than borderline surgical packages and the latter more than the loss making surgical packages.
- Packages in loss should be dealt carefully in terms of every aspect and if possible minimize the cases and if not they should be added with related major / minor surgeries.
- Analysing the problems prior to huge losses and coming with better operational strategies was the basis for analysis for designing surgical procedure packages.

Limitations

- Certain surgical packages could not be made because of less number/unavailability of bills of some surgeries (rare cases/fewer cases done).

- Difference of opinion about pharmacy & consumables to be used in surgical packages and surgeon fees from Surgeons/Anaesthetist (integral part of the process) lead to delay and standardisation in the making process of the certain packages.

- As the unit price of medicines used in the IPD bills of patient changes regularly it can affect the total cost of pharmacy and consumables used and it impedes in the standardisation of the package.

- As the “Package Value” of some surgical procedure is very restricted for the surgery, reducing the surgeon fee beyond limits becomes critical and unexplainable to surgeons.

Conclusion

It is concluded from the study by distributing the package under the following components/ heads (Room rent, Consultation, Investigations, Pharmacy & Consumables, Surgery procedure fee, bed side procedures) which ensures that all the segmented costs (fixed and variable costs) are covered and better administrative control is exercised over such billing. It helps better understanding the nitty-gritty's of making a Surgical procedure package which becomes very important for all empanelled hospitals under CGHS/ECHS and in the hospitals with large clientele from Government/PSU organisations.

The commercialization of health care has resulted in over/excess charging by private hospitals. CGHS had laid down rates for all the procedure to be done inside a hospital. These rates are low so hospitals are facing problems in implementing these rates.

After the analysis if we compare both the CGHS tariff with hospital tariff of a surgery there is huge difference in total cost of both the tariff for the same surgery. Here comes the role of **cost containment** which becomes significant and has to be done in every related department of the hospital be it Surgical division, Pharmacy, OT, Administration, Nursing, Wards. Management has to strictly implement these rates and monitor it regularly.

It is always better for a hospital to plan accordingly to warfare against the losses which comes in the way of providing service and care to the diseased. So in order to render healthier service to CGHS beneficiaries at affordable rates CGHS packages are in practise in every empaneled hospital which proves "*where caring is a way of life"*

Recommendations

To combat against loss in the Packages like ORIF, Tonsillectomy, Appendectomy, Osteotomy with internal fixation etc some Operational Strategies are:

a) Use of In house Doctors and Assistant surgeons

b) Promote the use of generics and consumables

c) Strict discipline on the part of the Surgical team / treating consultants to stay within the package limits

d) Some minor procedures can be added with the major procedure to recover the loss in the package.(package charges would be permissible for major procedure and only at 50% of charges for minor procedure).

- If we add two related surgeries to make uneconomical packages to economical ones. For e.g. Unilateral Hydrocele(Package Value Rs 5865/-Uneconomical for all large hospitals) + Herniotomy (Package Value Rs 12558/-)
  =12558(major surgery) + 5865/2(minor surgery)
  =12558 + 2932.5
  =15490.5 (Economical)

References

- CGHS New Tariff list 2010 (No:S.11011/23/2009 CGHS DII / Hospital Cell, Ministry of Health & Family Welfare, Department of Health & Family Welfare)
  Website of CGHS – www.mohfw.nic.in\cghsnew\index.asp

APPENDICES

CORRECTIVE OSTEOTOMY OF SHORT BONES

Pharmacy	IP ID No 16648		IP ID No 14783		IP ID No 15793		IP ID No 16419	
	Qty	Amt	Qty	Amt	Qty	Amt	Qty	Amy
INJ CEFOPRIM 750 MG	1	119			2	238	8	1840
INJ MIKACIN 500 MG INJ	7	465.5			2	133		
IV VENFLON 20 BD	1	90	1	85	1	90	2	180
INJ VERFEN (FENTNYL)	1	55			1	55	2	110
INJ XYLOCAINE 2% ML	5	5	2	2				
INJ XYLOCARD ML					2	2	2	2
INJ ATROPIN 1ML AMPOULES			1	5			1	5
INJ BENZOSED ML IV AMPOULES	1	8	1	8	1	8	1	8
INJ TERMIN ML	1	8	1	8			1	8
NEEDLE 26 1/2	1	4.4	2	4			2	4.4
INJ TRAMACOM 2ML								
INJ TRAMAZAC 50MG	1	30.52					5	152.6
INJ TAXIM 1 GM			5	149.35				
INJ PHENERGAN 2ML	1	8.47	1	8.47	2	16.94	1	8.47
IV NS 500 ML VIAFLEX	2	138	3	207	1	69	2	138
IV NS 100ML (Ecoflac)	4	272	6	408	4	272	2	140
IV RL 500 ML VIAFLEX	3	231	3	231	6	462	5	385
IV DNS 500ML VIAFLEX	1	69					2	154
INJ ANAWIN HEAVY	1	25.7	1	25.7				
CORT-S INJ	1	54						
EMESET 2ML INJ	1	31.5	1	28.89	1	28.89	3	94.5
PRIME CAST 5 , 12.5*3	4	3560						
VOLULYTE 6% INFUSION 500ML	1	537	1	489				
FORTWIN INJ 1 ML	1	4.06	1	4.06	2	8.12		
INJ VOVERON 3 ML	3	46.32						
MONOCEF 1 GM INJ	4	276			3	207		
COTTON ROLL 300 GM	2	160	3	240				
LOX 2% JELLY	1	49.5						
DYNAPAR AQ INJ	4	67.2	6	100.8	2	33.6	3	50.4
CHYMORAL FORTE TAB					7	85.05	3	36.45
RANITDINE 2ML INJ			1	3.11				
NEOVAC 4MG INJ					3	372	3	372
VIZYLAC CAP					2	3.7	3	5.5
PROFOL 20ML INJ					1	176	1	176
INJ PYROLAT					3	44.4	3	44.4
INJ VERMOR(MORPHINE)					1	32		
MYOSTIGMIN 5ML INJ					1	27	1	27
NETMICIN 300MG INJ					1	385		
ULTRACET TAB					4	28		
BECOSULE CAP 1*20					2	4.02	3	6.6
INJ NETLINEX 1 GM/100ML					1	349		
INJ AQUAGESIC 1ML					2	25.8		
INJ AMISYN -500MG			5	390				

LAXOPEG SACHEST 17G								
ZOPERCIN 4.5G INJ			3	1125				
DICLOSYN 3ML (diclofenac)								
INJ PERINORM 2ML							3	23.4
Consumables								
BETADINE SOLUTION	2	142	1	71	2	142	2	142
DISPOSABLE FACE MASK	5	35	3	21	5	35	6	42
CAUTERY PENCIL	1	50			1	50	1	50
BETADINE SCRUB	2	212	2	212	2	212	2	212
CAUTERY PAD	1	50	1	50	1	50	1	50
DISPOSABLE CAP	5	35	3	21	5	35	6	42
SURGICAL BLADE NO 11			2	6				
SURGICAL BLADE NO 15	3	9	1	3	3	9	3	9
ACILOC 2 ML INJ	4	14.08			5	17.1	8	28.16
P.C. ENEMA			1	31			1	31
SYRINGE -10ML(B.BRAUN)	7	115.5	12	198	12	198	13	214.5
SYRINGE -5ML(B.BRAUN)	12	105	14	122.5	9	78.75	24	210
SYRINGE -2ML(B.BRAUN)	2	14.5	6	43.5	3	21.75		
ABDOMINAL SPONGE 30*30	5	180	5	180	5	180	5	180
BANDAGE 6"	20	400			5	100	7	140
POP BANDAGE 10 CM							2	198
POP BANDAGE 15 CM					10	1250	2	250
NW 3326 ETHILON	1	125						
NW 5062 MERSILK			1	141				
NW 2317 VICRYL	1	420			1	420		
NW 2346 VICRYL					1	396		
NW 2421 VICRYL					1	491	3	1593
SOFF ROLL 15 CM	6	900	1	150	2	450		
ESMARCH RUBBER BANDAGE 125 C	2	520					1	260
NEEDLE 16 1-1/2	2	6.2			2	6.2		
NEEDLE 18 1-1/2							2	4
ECG ELECTRODES	3	45	3	45	3	45	3	45
LP NEEDLE 25 G	1	75	1	75			1	75
DISTILLED WATER 10 ML	7	37.24	3	21	6	30	8	42.56
FOLEY CATHETER 16NO 2WAY	1	100						
EXAMINATION GLOVES	5	60	7	84	6	72	5	60
IV SET (MEDIKIT)			3	195				
IV SET (ROMPSONS)	1	58			2	116	5	290
GLOVES 7 SIZE(UNSTERILE)	11	132	3	36	6	72	9	108
GLOVES 6.5(UNSTERILE)							10	120
GLOVES 6.5(NULIFE /SURGICARE)	5	245	4	192	4	196	4	16
GLOVES 7 (SURGICARE)	6	294	3	147	4	196		
GLOVES 7.5(SURGICARE)			3	147			3	147
URO BAG	1	58	1	58	1	58	1	58

VACCU SUCK SUCTION	[redacted]			1	162	1	162	1	162
IV CANNULA NO 20G	[redacted]					1	175	1	175
ENDO TRACHEAL TUBE	[redacted]					1	168.3	1	168.34
ISOFLURANE (PER MIN)	[redacted]					70	882	120	1512
DYNAPLAST	[redacted]							1	131.75