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‘SUPER HOSPITAL’ COULD JEOPARDISE ENTIRE PNG HOSPITAL SECTOR

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Executive Summary

When the Minister for Health announced that he had engaged American consultants to assist in the planning of a new ‘super hospital’ for Port Moresby, called the Pacific Medical Centre (PMC), he argued that this high-tech hospital would meet the health needs of PNG.

This argument is incorrect and misleading. Diverting scarce health funds to this project could lead to the complete collapse of the struggling PNG hospital sector and a massive deterioration in health care capacity for ordinary Papua New Guineans.

Many citizens view health policy as too complex and technical to be publicly debated. Yet it is ordinary citizens who suffer the rundown status of rural and urban health facilities. Currently, some sixty percent of rural aid posts are closed and many health centres can no longer provide quality primary health care and emergency referral for complicated cases.

The public must take an active interest in this issue. This article refutes a range of claims that have been made about the PMC, in order to encourage debate and discussion:

- The PMC will not be built with donated American money. The Health Minister recently ordered that the facility be funded from the PNG health budget.
- The PMC will not be able to do all the things that a big city hospital in the USA or Australia can do, such as heart surgery, kidney transplants, and radiotherapy. None of these procedures will be available at the PMC.
- The PMC will look after rich people with similar medial conditions that are treated at Port Moresby General Hospital, but in more salubrious surroundings.
- The PMC will not pay for itself. The 150 inpatient beds in PMC will not be filled with fee-paying patients (at K4000 per day). For the PMC to be viable the government will have to heavily subsidise running costs, to the detriment of other health services.
- The PMC will not be useful for training. Training health workers in the PMC will not help them function usefully in PNG health centres and provincial hospitals.

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The place of hospitals in a national health care system

To contribute to the nation's health, hospitals must be functionally integrated into the total health care system. One main reason why PNG's health indices — like maternal and child mortality rates — have deteriorated sharply over the past 20 years is the collapse of rural health systems. Community health posts have closed and rural health centres and sub-centres are rundown and do not have the capacity to provide basic health care and drugs. Most rural facilities cannot refer more difficult problems to the provincial headquarters because they do not have vehicles or easy road access.

The majority of PNG's provincial hospitals are still working quite well, although many of them (especially Port Moresby General Hospital), are in desperate need of maintenance. However, hospitals by themselves cannot reach out to the community to help ordinary people maintain reasonable health status. To improve our health status, and to meet the Millennium Development Goals, PNG must get our whole health system working again.

Hospitals are only useful to those who have easy access to them. High-tech, expensive hospital facilities can actually be detrimental to the overall capacity of a resource-challenged health system, because they drain away scarce funding and high calibre workers.

The proposal

The proposed PMC will have capacity for 100–150 beds in phase one. A second phase, with a further 150 beds, is mooted for construction after 2013. This is the capacity of hospitals in Manus or Kavieng, while the overloaded Port Moresby General Hospital has a 1000-bed capacity. The total capacity of the private hospitals in Port Moresby is about 90 beds, but less than half of these are in use at any one time. Hence the need to expand the bed capacity in the public rather than the private sector.

It was initially publicised that the PMC would be built with donor funds. This is not true. In a NEC submission dated 23 June 2010 the Health Minister, in his own handwriting, deleted all hospital equipment purchases (K81.7m), hospital plant upgrades (K17.4m) and building of essential institutional housing for all the nation's provincial hospitals (K124.9m) and transferred these allocations to the building program for the PMC (K230.4m).

It has been argued that the PMC will be able to deal with medical problems for which citizens cur-

rently travel overseas to address. This also is not true. The PMC will not be able to perform transplant surgery (kidney, heart, liver transplants etc.), nor will it be doing heart surgery (bypass operations and open heart surgery). A heart surgery unit requires sophisticated blood banking capacity, heart lung machine capacity and a cardiac surgery unit. A unit like this would need to do at least 400 procedures per year to be kept clinically competent and skilled. There will not be a radiotherapy unit at the PMC for the same reasons.

The most likely use for the PMC facility is to stabilise conditions of expatriates (and super-rich citizens) who suffer accidents, trauma and heart attacks, in preparation for medivac to hospitals overseas. An American working for, say, Exxon-Mobil Ltd., who has a heart attack or breaks a leg, is not going to stay in the PMC for weeks on end.

The Health Minister has stated that the PMC will operate as a “not-for-profit” facility. This is an American expression meaning economic fees will be charged for all the functions of the hospital. Hospitals like this in Australia, such as Wesley Hospital in Brisbane or Calvary Hospital in Cairns, charge users about AU\$1000 (approximately K2400) per day just for inpatient stay. Doctors' fees, operations and tests are all extra. It will cost more to run an equivalent facility in PNG because most of the supplies and some of the staff will be imported. This means that clients will be paying K3000–4000 or more, per day.

For ordinary Papua New Guineans who are referred to the PMC, the Health Minister has stated that there will be a fund within the National Department of Health (NDOH) to pay the difference between what the referred citizen would pay in a provincial hospital and the PMC fees. For an average admission for an operation (say 10 days), the NDOH would need to pay about K50,000 to the PMC. For just one patient per day referred over one year this would amount to more than eighteen million kina. Currently, the government cannot even buy simple medicines for its hospitals. Even if this money were available, this is not a responsible use of public funds. K18m spent on just one patient per day at the PMC would be sufficient to renovate and properly stock the Port Moresby General Hospital in order to provide better health care to the whole of the NCD.

The PMC will drain capacity, staff and funds from the public health sector

The PMC is envisaged as a modern, air-conditioned building with high-tech equipment, a

place where many of the best PNG medical and nursing professionals would like to work. It will also pay higher salaries than the public sector or the university. Our hospitals are surviving because of a small number of highly-qualified and hard-working national medical and nursing specialists. Without these people in the public hospital system, public hospital services will deteriorate sharply.

Will the PMC be a useful facility for training PNG health workers?

The best health worker training, especially for post-graduates, is *relevant* training. For many years clinical specialists training programs have been sending post-graduate trainees overseas for some of their training. Although this has value for the trainees — allowing them to experience a well-resourced health care setting — the clinical training that they receive overseas is not particularly useful for their future practice in PNG. This is because medical training is very culture and resource-level specific.

Many expatriates also find it very difficult and stressful to practice in PNG. Doctors in PNG must be more clinically skilled, innovative and self-sufficient than doctors with ready access to resources for special tests and investigations. If we trained our doctors in a facility like the PMC they will not get sufficient volume of experience and the experience will be in a different medical environment to other PNG hospitals. After all there is only going to be 150 beds, and at K2000–K4000 per day they will not be full most of the time. If we train doctors at the PMC, they will be less inclined to work in the provinces and might even become part of the “brain drain” overseas.

This is why the University of Papua New Guinea (UPNG) School of Medicine and Health Sciences recently decided to establish clinical schools in Goroka and Honiara to address the problem of attracting health workers to work in provincial areas.

In a special meeting of department heads this year, the School of Medicine and Health Sciences decided that it would have nothing to do with the planning or operations of the PMC. Along with the specific concerns about training, the meeting also agreed that the planning and funding of the project did not appear to be transparent. An editorial in the *Post-Courier* asked the question, “If the [PMC] project was not glimpsed or vetted by our local experts...why was this so?”, (*Post-Courier*, 22 April, 2010).

Professor John Vince, then acting Dean of the School of Medicine and Health Sciences) remarked that “the PMC is a politicians’ project”, (*Post-Courier*, 22 April, 2010). The PMC was originally mooted by PNG’s Ambassador to the USA, Mr. Evan Paki, in discussions with a group of Americans who had visited PNG and wanted to ‘do something’ to assist health in the country. These people have linked up with an American real estate executive who is very keen to project manage this K510 million project.

The group is working with the Department of Planning and Monitoring and not the Department of Health. The Health Minister has been brought in, but without any technical backing from his department. The project team and their political connections have never sought advice from PNG health experts, most of whom have grave concerns about the project.

Who will support this project?

The Clinton Foundation and the Seventh Day Adventist institutions in USA, who were approached by Ambassador Paki and other PNG government ministers to assist with the planning of the PMC project, have now stated that they will not financially support this project. All PNG’s development partners, including the New Zealand and Australian Agencies for International Development, the United Nations Population Fund, the World Health Organisation, UNICEF, the World Bank and the Asian Development Bank, have all stated that they will not provide funds for the PMC project, at a meeting with the Health Minister in June this year.

Even if it were certain that there were still funds in PNG’s trust accounts and there was money available, it would still make better political sense to insist that the PNG project developers pay for any facility that they might need for their staff. When it comes to 2012 Elections, there are certainly no votes to be had from the PMC development, especially if provincial hospitals are left crumbling and non-functional.

What about the other PNG hospitals?

In 2006 the PNG Government announced a long term project to redevelop seven of the major provincial hospitals (with Central Hospital later added to this list). Detailed studies of the requirements for this redevelopment project have been conducted and each hospital has been listed by the Department of Planning and Monitoring and the Department of Health for redevelopment in order

of priority — Angau Hospital in Lae (K400 million), Nonga Hospital in Rabaul (K150 million), Boram Hospital in Wewak (K180 million), then Kerema, Kavieng, Popondetta, and Wabag hospitals (which will cost K50–100 million each).

Boram Hospital, in particular, is in great danger of being engulfed by the sea. It is terrible for the government to drop the ball on the hospital redevelopment plans at this time.

How much will the PMC project cost?

In early July this year the Health Minister ordered the Department of Health to put the full costs (K510 Million) of the PMC construction into the PNG health sector budget. This means that the Minister now wants ordinary PNG tax payers to pay for the construction of this grandiose facility for the super-rich of Port Moresby.

The 2010 budget figures reveal how unbelievable the PMC development is. The total PNG health budget is usually about K900–967 million. In 2010, capital works projects will total only K120 million.

For 2011, by adding the projects already in the hospital redevelopment plan and the Goroka Hospital refurbishment — the estimated total of envisaged capital works is approximately K900 million.

Recently the Health Minister ordered the NDOH to add the PMC into the first priority listing for capital works, at a total of an extra K260 million in 2011 and K250 million in 2012.

First, it is not clear whether the government can find sufficient money to expand its health sector capital works budget from K120 million

to K900 million, (which is equivalent to the total Health Budget for 2010). Second, if the PMC is added to the capital works budget, it blows out to K1160 million for 2011. If the money for capital works is limited in 2011, it is likely that the PMC will be prioritised and Angau, Nonga, Kerema, and Goroka will miss out.

Finally, there is the issue of running costs for the PMC. A high-tech hospital costs about 25 percent of its capital costs to run each year. This means that PMC will cost about K180 million per year. In the 2010 Health Budget the 19 provincial hospitals, together with the Port Moresby General Hospital, cost K280 million. Unless the government finds hundreds of millions of extra funds for health in 2011 (and subsequent years) then PMC will very likely bankrupt the hospital sector.

This is a major issue for Port Moresby residents and the citizens of PNG. Misguided thinking and policy decision-making with regards to hospital sector planning and budgeting could lead to serious deterioration or even collapse of the whole hospital sector in Papua New Guinea

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