

# **Ex-post Evaluation of Improvement of H. Adam Malik Hospital in Medan Project**

**February 6, 2020**



# 1. Project Overview

## 1.1 Project Details

Name of Project: Improvement of H. Adam Malik Hospital in Medan Project

Borrower: Ministry of Finance

Project Executing Agency: Ministry of Health

Requested Loan Amount: USD 30 million

### < Project Details >

Improvement of H. Adam Malik Hospital in Medan Project	
Targeted Output	Funding Resources
Procurement of medical equipment, etc.	EDCF
Consulting services	
Training of maintenance	
Construction of the Cardiac Center and the Emergency Center	Indonesia
Project Management and Training	

## 1.2 Project Purpose

- The Improvement of H. Adam Malik Hospital in Medan Project (hereinafter the “Project”) intends to supply USD 30 million worth of medical equipment and resources to the cardiac center and the emergency center which were newly constructed within H. Adam Malik Hospital in the city of Medan, North Sumatra.
- Through the improvement of H. Adam Malik Hospital, the Project aims to meet the demand for medical services for residents and enhance a public health environment across North Sumatra.

## 2. Summary of Evaluation

- The evaluation was conducted based on the OECD/DAC evaluation criteria and cross-cutting issues. Also, performance indicators were also utilized to measure effectiveness.
  - The methods of evaluation include literature review, stakeholder interview, survey, and analysis of relevant statistical data.
- The Project is evaluated as successful (3.46/4) in terms of relevance, efficiency, effectiveness and sustainability. The table below shows detailed results.
  - Overall Evaluation

Criteria	Weight	Rate	Weighted Rate
Relevance	25%	3.67 (Relevant)	0.92
Efficiency	25%	3.00 (Efficient)	0.75
Effectiveness	25%	3.67 (Effective)	0.92
Sustainability	25%	3.50 (Sustainable)	0.88
Overall Rating		<b>Successful</b>	<b>3.46</b>

- **(Relevance)** The results of the Project are very consistent with Indonesia's health development strategy and EDCF's health care assistance strategy. And it also satisfies the health care demands of the partner country. Furthermore, while there were some delays and some of the procurement contracts had to be changed during the preparation and implementation processes, stakeholders were able to address these challenges in an amicable manner through continuous consultation. As such, relevant is estimated as high.
- **(Efficiency)** The project period was delayed for 7 months compared to the plan during the preparation and implementation of the Project. The project cost was efficiently disbursed since the relevant expenditures are not more than EDCF's loan amount.
- **(Effectiveness)** As for the scope of the Project, while there were some changes in items compared to the plan, all of medical equipment and facilities were supplied to and installed in each center in accordance with procurement contracts and the education and training programs for health care workers were also provided as planned. As for the outcomes, patient care and medical check-ups show little change or some of them are even reduced after the Project. This is deemed to be a result of new patients' restricted access to the hospital after its designation as the 3rd specialized hospital in 2015. Furthermore, the satisfaction of direct beneficiaries regarding their use of medical equipment was found to be high according to a survey. Therefore, it was evaluated that the targeted outcomes were achieved effectively.
- **(Sustainability)** As a university hospital, H. Adam Malik Hospital can directly supply manpower through its regular training program and secure maintenance personnel by operating a separate maintenance department. As such, there are no issues of sustainability in terms of human resources and project management. However, there is a significant shortage of budget for medical equipment maintenance despite some support from the Ministry of Health. As such, financial sustainability is evaluated as low.

## 2. Lesson Learned and Recommendation

### (1) Lessons Learned

#### Success Factors

- Indonesia's health care development policy and EDCF's assistance strategy are found to be highly consistent. H. Adam Malik Hospital was designated as the 3rd specialized hospital through this Project, and the emergency center was significantly upgraded from the 1 star rating at the time of planning the Project to the current 5 star rating.
- The Project was evaluated as highly effective since medical equipment was widely utilized in the hospital and the patients and hospital workers who directly use medical equipment were greatly satisfied with medical equipment.
- H. Adam Malik Hospital is an A-class public hospital under the auspices of the Ministry of Health, as well as a university hospital that can easily supply health care professionals. As such, the Project is evaluated as sustainable in terms of human resources, which has a significant impact on the utilization of medical equipment.

#### Limitations

- Some supplies were replaced as the demand from the hospital was changed due to the delay of the preparation and implementation period of the Project. And some of the supplied medical equipment needed maintenance and consumables.
- The performance management framework and targets set at the appraisal phase (2008) were not modified despite the delay of the project period (completed in 2014) and the change of some supplies. As a result, the outcome of the Project is evaluated as low compared to the existing targets.
- There is a lack of financial resources for providing maintenance of medical equipment in the hospital, and procurement of consumables was not available at occasional times due to their very expensive prices and poor communication between Korean manufacturers and Indonesian distributors.

## (2) Recommendations

- To increase the utilization of medical equipment in EDCF's medical equipment supply projects going forward, various approaches need to be explored in each phase.
  - Appraisal: The EDCF operations department and the feasibility study providers need to have a clear understanding of the demand through a sufficient advance review of the partner country's equipment operation circumstances.
  - Bidding & Procurement: As for the medical equipment chosen during the appraisal phase, the project executing agency of the partner country must monitor changes in the health care demand and other requests from the partner country and the relevant hospital in order to review the items and specifications of any necessary medical equipment. Furthermore, in the case of medical equipment requiring consumables, a certain quantity of consumables should be provided together at its first supply or consumables should be available in the partner country for compatibility.
  - Supply: The scope of the relevant project should include maintenance training for hospital engineers, as well as mere operation training sessions.
  - Follow-up Management & Maintenance: Suppliers may regularly report their maintenance activities and the current status with the project executing agency after completion of the relevant project.
- The EDCF operations department is required to revise or supplement the indicators set or to be set for each phase concerning the performance management framework of the hospital construction project. And after completion of that project, it needs to continuously monitor the extent of achievement of the targeted outcomes.
  - Feasibility Study & Appraisal: The EDCF operations department and the feasibility study provider are required to establish a performance management framework for the Project for the relevant project considering the possibility of generating performance evaluation indicators during feasibility study and appraisal.

- Completion Evaluation: Upon completion of the project, the EDCF operations department or the local office should evaluate the outputs of the performance management framework during the completion evaluation and revise or supplement the outcomes.
  
- Ex-post Evaluation: The partner country should periodically monitor the outcome under the performance management framework, which is created, revised or supplemented upon completion of the project, and then share the result thereof, such as annual reports, with the EDCF operations department.