## Contractual agreement with hospital staff delivering hospital care: case study of the MRI center of Shariati hospital

Hossein Joudaki <sup>1</sup>, Arash Rashidian <sup>2</sup>, Hossein Soorani <sup>3</sup>, Farhad Koohi <sup>4</sup>, Bijan Geraili <sup>5</sup>

## **Original Article**

## **Abstract**

**Introduction:** Shariati MRI center located in Esfahan began producing services in 21 July 2011. The responsibility of producing services was delegated to the radiology staff based on a contractual agreement between hospital executives and radiology department staff. We aimed to assess to what extent this method had been successful in improving efficiency comparing to a similar public MRI center and outsourcing alternative.

**Methods:** A case study approach was used. We collected quantitative and qualitative data to provide a comprehensive picture of the experience and forthcoming challenges. By using quantitative data, we measured unit cost of services and the cost-revenue ratio of the MRI center. Relevant documents and reports were reviewed and key peoples were also interviewed for understanding potential challenges.

**Results:** The ratio of the cost to the revenue of the MRI center was 48% without the equipment depreciation and 60% including depreciation. The unit cost of the MRI center of Shariati hospital was 10% lower than outsourcing alternative and 35% lower than a similar public MRI center managing by governmental system. Nevertheless, qualitative analysis showed that the MRI center may have some challenges in the long-term period.

**Discussion and Conclusion:** Despite the advantages of the new method, some important challenges such as physician's issues, coordination between different hospital departments and delegating more authorities must be considered in long-term period.

**Key words:** Purchasing, Contracting, Outsourcing, Efficiency, MRI

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1- PhD, Department of Health Economics and Planning, Social Security Organization, Tehran, Iran (Corresponding Author)

Address: Health Economics and Planning Group, Social Security Organization, Azadi Ave.

Phone: 02164502556

E-mail: hjoodaki@yahoo.com

- 2- Associate Professor, Department of Health Management and Economics, School of Public Health, Tehran University of Medical Sciences, Tehran, Iran
- 3- MSc, Esfahan Branch of Social Security Organization for Provision of Curative Services, Esfahan, Iran
- 4- MSc, Department of Health Economics and Planning, Social Security Organization, Tehran, Iran.
- 5- PhD Student, Department of Education Management, School of Psychology and Education, University of Tehran, Tehran, Iran.