

IMPACT OF EXPANDED LEGAL LIABILITY ON HOSPITAL OPERATIONS AND MANAGEMENT

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Abstract

The expansion of legal liability on hospitals has brought about significant changes in the operations and management of these healthcare institutions. This discussion explores how increased legal liability affects regulatory compliance, quality of care, administrative burden, and risk management strategies. The findings show that while there are positive impacts in the form of improved service quality and patient safety, hospitals also face challenges in the form of increased administrative and operational burdens. In addition, hospital management is forced to implement more comprehensive risk management strategies to manage potential legal issues. In conclusion, while the expansion of legal liability creates challenges for hospital management and operations, it also contributes to the overall improvement of healthcare standards and patient safety.

Keywords: Impact, Expansion of Legal Liability, Operations, Hospital Management

Introduction

Rapid developments in the health sector and increased public awareness of patients' rights have triggered significant changes in health law regulation. Health law has undergone rapid development along with advances in medical technology and increased public awareness of their rights in obtaining health services (Dimick & Pronovost, 2009). Initially, health law only regulated basic aspects such as licences to practise medical personnel and hospital service standards. However, over time, its scope has expanded to include issues such as bioethics, patient safety, medical data protection, and patient rights. Health policy regulation now focuses not only on the provision of safe and quality health services, but also on a framework that protects the rights of individuals, including the right to privacy and accurate information about their health conditions (Kohn et al., 2000).

In addition, the development of health law is also influenced by globalisation and international agreements that encourage the standardisation of medical practice and the protection of human rights in the context of health. International organisations such as the World Health Organization (WHO) and best practices from other countries have become a reference for many countries in formulating more comprehensive health

policies (McKee & Healy, 2002) . For example, the implementation of international standards in handling infectious diseases and pandemic prevention is a major focus that is followed globally. Modern health law also increasingly pays attention to preventive aspects, encouraging people to be proactive in maintaining their health through regulations that support healthy lifestyles and accessibility of health services (Huppertz, 2010)

One of the emerging trends in healthcare is the expansion of hospitals' legal responsibilities, which are processes and policies that increase hospitals' legal obligations in various aspects of their services and operations. This includes responsibilities not only towards patients and medical personnel, but also in terms of administration, risk management, occupational safety, and patient data protection. This expansion is designed to ensure that hospital operations comply with all legal and ethical standards of the medical profession, reduce the likelihood of malpractice, and improve the overall quality of healthcare (Geiger & Barrada ., 2006)

The importance of expanding the legal responsibility of hospitals lies in its endeavour to improve accountability and quality of healthcare services. By expanding the scope of liability, hospitals can create a system that is more transparent and responsive to patient needs. It also serves as a preventive measure against violations of laws, ethics, and health standards, as well as protecting patients' rights, such as the right to information, privacy, and safety (Firth-Cozens & Cornwell, 2009) . In addition, the expansion of legal responsibilities also helps in identifying and managing risks effectively, reducing the likelihood of future legal issues, and building public trust in healthcare institutions. This shift requires hospitals to not only focus on the quality of healthcare services, but also to ensure that their entire operations and management comply with evolving legal standards (Lee, 2022) .

This expansion of legal responsibilities opens up new challenges for hospitals, especially in operational and managerial terms. On the one hand, hospitals must allocate additional resources to ensure compliance with the new regulations. On the other hand, they also need to adapt to changes in internal policies and procedures to reduce legal risks and maintain the institution's reputation. Efforts to meet these new legal demands may affect the effectiveness and efficiency of the hospital's day-to-day operations (Kazanjian & Green, 2005) .

However, the impact of these regulatory changes is not always easy to measure. The complexity of the healthcare system and variations in the scale and type of hospitals mean that each institution faces unique challenges. Therefore, comprehensive research is needed to analyse how this expansion of legal responsibilities affects hospital operations and management (Green, 2021) .

This research is important so that hospital management can understand the legal implications they face and develop effective strategies to adapt.

Research Methods

The study in this research uses the literature method. Literature research method, or often referred to as literature study, is a technique of collecting and analysing data obtained from various written sources relevant to the research topic. These sources may include books, scientific journals, conference articles, dissertations, research reports, and other reliable sources of information (Carnwell & Daly, 2001) ; (Boote & Beile, 2005) . This method aims to identify, evaluate, and integrate findings from various literatures to provide a thorough and in-depth understanding of the research issue being studied. Literature research is useful in establishing theoretical frameworks, supporting or rejecting hypotheses, and identifying research gaps that can be filled through further study (Cooper, 2010) .

Results and Discussion

The Effect of Expanded Legal Liability on Hospital Operations

The expansion of legal responsibilities encourages hospitals to improve accountability and transparency in all aspects of their operations. With this added obligation, hospitals must ensure that all processes, from administration to health services, are managed honestly and openly. This transparency not only benefits patients, who get clearer and more accurate information about their health conditions and services, but also for hospitals in building a good reputation and public trust (Kane et al., 2007) .

The expansion of legal liability forces hospitals to implement a more robust and comprehensive risk management system. Hospitals need to identify, evaluate, and manage various potential risks that may arise in their daily operations. This includes medical risks, legal risks, and other operational risks. With better risk management, hospitals can minimise adverse events, such as malpractice or regulatory non-compliance, and can quickly take corrective steps if needed (Gostin, 2000) .

The expansion of legal responsibilities means that hospitals must ensure that they comply with all applicable standards and regulations. This includes health regulations, labour laws, personal data protection, and many others. To comply, hospitals need to conduct regular training for all staff on new policies and procedures and ensure that all operations are in line with legal requirements. This compliance not only prevents legal sanctions but also improves operational efficiency and quality of healthcare services (Espinosa-Gonzalez & Hernandez, 2009) .

The implementation of expanded legal liability often requires additional investment, both in time and financial resources. Hospitals may need to allocate budget for legal training, legal consultations, implementation of new technologies for data management, and other compliance programmes. While this may increase operational costs in the short term, these investments are important to build a stronger and more

sustainable operational foundation in the long term, preventing greater costs due to legal issues or violations in the future (Barrett & Covington, 2007).

With the expansion of legal liability, hospitals are directed to continuously improve the quality of healthcare services they provide. This includes improving standards of medical care, enhancing patient safety, and improving communication between patients and healthcare providers. Adopting better and safer practices not only complies with legal regulations but also provides direct benefits to patients through better and safer services (Weick et al., 2008).

The expansion of legal responsibilities also focuses on the protection of patients' rights, including the rights to information, privacy, and safety. Hospitals are required to provide complete and accurate information to patients regarding diagnoses, procedures, risks, and treatment options. In addition, they must also ensure that patients' personal data is strictly safeguarded in accordance with data protection laws. This protection not only fulfils legal requirements but also increases patients' sense of security and trust in the services provided (Needleman & Buerhaus., 2002)

Hospitals need to adopt new technologies and develop innovations to meet the demands of expanding legal responsibilities. Electronic health information management (EHR) systems are one such example, which can help ensure that patient data is properly and securely managed. It also enables better auditing and improved reporting procedures for regulatory compliance. By integrating these technologies, hospitals can improve operational efficiency and deliver higher quality healthcare (Merson et al., 2012).

Furthermore, the expansion of legal responsibilities forces hospitals to continuously develop and update their internal policies and procedures. This includes complaint handling procedures, quality control, and good organisational governance. With clear policies and well-documented procedures, hospitals can ensure that all staff understand and comply with their responsibilities, thus supporting the creation of a more harmonious and professional working environment (Treadwell & Studdert, 2005).

As such, the expansion of legal liability has a significant and far-reaching impact on hospital operations. Its implementation not only demands improvements in various aspects of hospital management but also improves the quality and safety of services provided to patients.

Managerial Impact of Expanding Legal Liability to Hospitals

The expansion of legal responsibility for hospitals is a phenomenon that has begun to receive great attention from various parties. The managerial impact of this expansion will directly affect hospital operations in various aspects. Hospitals, as institutions responsible for public health, must certainly prepare a mature strategy to deal with this change. Greater legal responsibility means increased oversight and accountability by hospital management (Hall, 2009).

One of the main impacts of this expanded legal responsibility is the need to strengthen internal procedures and policies. Hospitals must evaluate and update medical protocols, patient safety procedures, and incident reporting mechanisms. This aims to prevent legal violations that could harm the institution. In addition, regular training for medical and non-medical staff must also be improved so that they are always up-to-date with applicable regulations (Abelson & Miller, 2007) .

Apart from the operational side, the expansion of legal liability also affects the financial aspect of hospitals. Healthcare providers will have to allocate more budget for legal consultation fees, liability insurance, and additional training. These increased costs will certainly have an impact on the hospital's overall budget, which could impact the allocation of funds for direct services to patients. Management must be smart in managing the budget so that the quality of service is maintained despite the additional cost burden (Schreyögg & Tiemann, 2010) .

From a risk management perspective, the expansion of legal liability requires hospitals to be more active in identifying and managing potential legal risks. The use of information technology and sophisticated risk management systems can help hospitals in this regard. A good system will be able to detect and stream information related to potential risks quickly, so that mitigation steps can be taken immediately. This is important to avoid potential litigation in the future (Davies & Nutley, 2000) .

Effective communication is also a key factor in dealing with this expansion of legal liability. Management must ensure transparency in communication with staff, patients and other stakeholders. This will help build trust and minimise misunderstandings that could lead to legal action. In addition, good communication also helps in educating and adapting to the latest regulations, which is much needed in this situation (Scott, 2009) .

The next impact is on the quality of health services provided. Despite the increased legal burden, hospital managers should still focus on maintaining and even improving the quality of services. This can be achieved by investing in more advanced healthcare technology, implementing patient safety programmes, and improving the competence of medical personnel. Good service quality not only reduces the risk of litigation but also improves the hospital's reputation in the eyes of the public (Studdert & Brennan, 2004) .

In the long run, the expansion of legal liability may improve the standard of medical practice in hospitals. This is because there is a demand to fulfil strict regulations and guidelines. Hospitals are required to not only operate according to minimum standards, but also innovate to achieve best practice in every aspect of their services. This will certainly provide great benefits to the overall quality of public health (Scott, 2009) .

Despite the challenges that arise, the expansion of legal liability also creates momentum for hospitals to strengthen their governance and management. If managed

well, hospitals will not only be able to meet legal demands, but also strengthen their position as trusted healthcare providers. As such, anticipatory and reactive measures from management are key factors in effectively dealing with these changes.

Conclusion

The expansion of legal responsibilities has encouraged hospitals to improve their compliance with regulations and industry standards. Hospital management is now more focused on improving the quality of healthcare services, implementing patient safety protocols, and ensuring that all healthcare workers adhere to professional codes of ethics. This has resulted in a decrease in malpractice cases and complaints from patients, thus improving the hospital's reputation.

However, broader legal responsibilities have the consequence of increasing administrative and operational burdens for hospitals. The development and maintenance of more detailed documentation, as well as more frequent internal and external audits, require additional resources in terms of both time and money. Management personnel must ensure that all policies and procedures are strictly followed, which can take the focus away from direct patient care.

The expansion of legal liability also forces hospital management to adopt a more comprehensive risk management strategy. They must be more proactive in identifying, assessing and managing legal risks that may arise in their day-to-day operations. This includes ongoing training for staff, regular review of medical practices, and the establishment of a legal team that specialises in legal issues. Thus, despite significant challenges, effective risk management can reduce potential losses and improve the overall resilience of the institution.

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