

IMPLEMENTATION OF WARD-BASED FINANCIAL MONITORING IN HEALTHCARE MANAGEMENT

BÁLINT BATA¹, ÁRMIN LÁSZLÓ KISS¹, ESZTER ERIKA NAGY¹, ANDRÁS SZILVAY¹, ANDREA BOR¹

¹HOSPITAL PHARMACY DEPARTMENT, DR. MANNINGER JENŐ TRAUMA CENTER, BUDAPEST, HUNGARY e-mail: batabalint.klinikai@gmail.com

Background and importance

Hospital pharmacy extends beyond healthcare provision—it **plays a vital role in responsible financial management**. This involves not only the cost-effective procurement of medicines but also maintaining realistic departmental expectations. While some hospitals operate with a single central pharmacy budget, others allocate budgets directly to each ward. In April 2025, a **departmental budget monitoring was introduced**, giving each ward a fixed monthly budget and making them accountable for staying within it. This shift allowed us to compare two real-world financial strategies and to examine how budget responsibility can shape both costs and therapeutic decisions.

Aim and objectives

Our goal was to **implement budgets that accurately reflect each ward's actual drug expenditures**, and to **assess** how departmental budget monitoring affected **hospital-wide costs and the therapeutic choices** of specific wards. Furthermore, we aimed to evaluate the system's effectiveness.

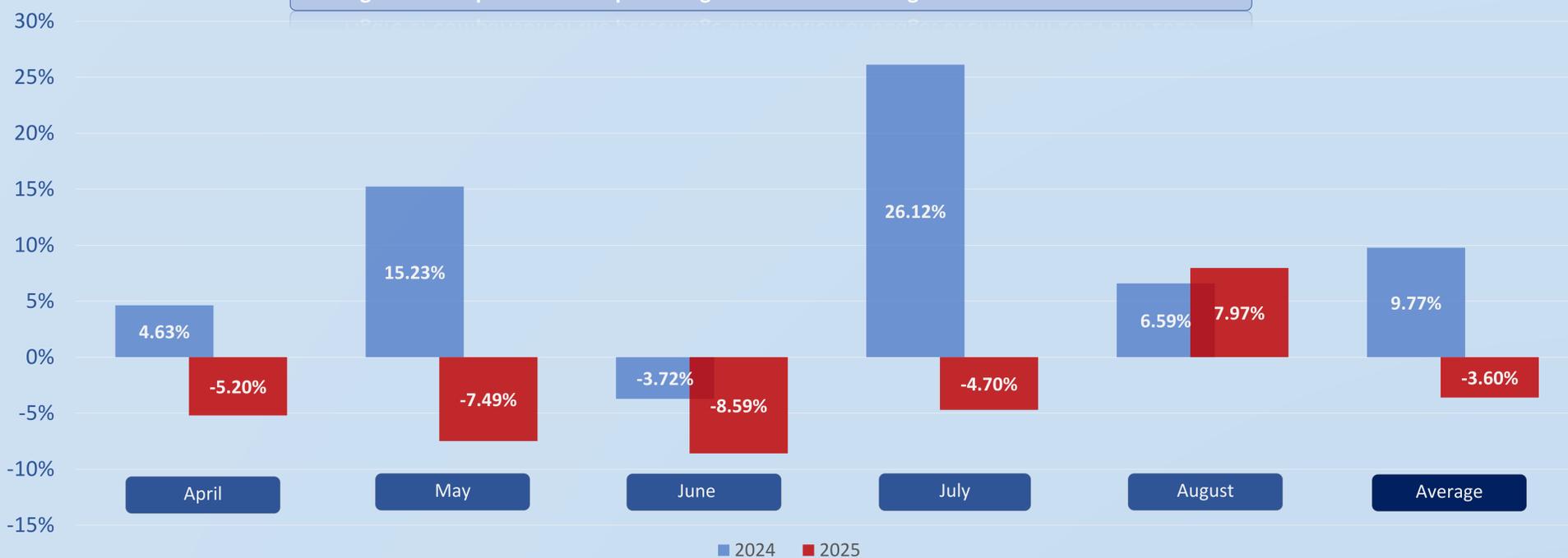
Material and methods

To establish the new budgets, we analyzed each ward's total drug requirements in 2024 and averaged the twelve-month financial costs. Considering changes in drug prices, we added a 10% margin to prevent the new limits from being overly restrictive. This adjusted cost estimation defined the monthly drug budgets from April 1st, 2025. For comparability, we examined the deviation between the total medication costs and the available budget over the same five-month period (April–August) in both years.

Results

Between April and August 2024, wards exceeded their allocated budgets in four of five months, with an average overspend of 9.77%. In contrast, during the same period in 2025 — after **introducing the new monthly budgets and direct accountability** — **departments generally stayed within limits, with orders averaging 3.6% below the set limit** (Figure 1; Table 1). The savings ensured larger safety stocks (6 weeks reserve vs. 2 weeks reserve in 2024).

Figure 1: Comparison of the percentage distribution of budget overruns in 2024 and 2025



2025	April	May	June	July	August
Total monthly gross drug procurement cost incurred by the wards	92 000 €	89 700 €	88 700 €	92 400 €	104 700 €
Number of wards that submitted purchase orders in the given month	26	24	24	25	24
Number of budget overruns	12 (46 %)	9 (38 %)	11 (46 %)	7 (28%)	12 (50%)

Table 1: Total monthly gross drug procurement cost incurred by the wards

Conclusion and relevance

The introduction of **ward-based budget management produced significant economic and clinical advantages**. Making wards responsible for their own budgets **improved cost control and encouraged more deliberate therapeutic choices**, while **ensured continuous drug availability and comforting safety stocks**. Enhanced collaboration with the pharmacy in selecting **cost-effective equivalents strengthened clinical communication and teamwork**.