

File

September 3rd, 1958

Dr. Tran Vy  
Secretary of State for Health  
59 Hong Thap Tu  
SAIGON.

Dear Mr. Secretary of State:

In accord with your request during our conversation of August 1, I have the honor to transmit to you the attached summary statement of progress made in the MSU administrative study of the Department of Health. This study is being directed by Mr. M.A. Sanderson of the MSU Public Administration Division.

I would be happy to discuss the status of the study with you at your convenience, as we agreed in our previous conversation. If you will inform us of a convenient date and time, Dr. Dorsey and I will be glad to call upon you again.

Please accept, Mr. Secretary of State, the expression of my highest esteem.

Ralph H. Smuckler  
Chief Advisor,

To R.H.S. 4 Sept.

September 3, 1958

Status Report - Department of Health Study

As of this date, one sub-project has been completed. This is the report to the Department on a suggestion program in which departmental officials had expressed interest. In addition, copies of three foreign hospital regulation laws were forwarded <sup>at</sup> ~~at~~ the request of the Department. We have requested similar laws from other Southeast Asian nations but to date have not received any. However, Dr. Brown of WHO is prepared to give technical assistance on medical laws and has at his disposal the combined efforts of over 82 nations. The Department may wish to consult with WHO on this matter.

In other areas, progress is being made satisfactorily with the possible exception of the Personnel Service survey. Mr. Waltman, who has been assigned to help on this project part-time, is at the peak of his activities in the participant program and has, therefore, been unable to do much work with the Personnel section of the Department. At present it appears that we may not be able to make any significant contribution

in this area, since basic civil service reforms will be necessary before significant improvement within the Department can be made.

Mr. Myers has made encouraging progress in the Service of Finance and in the Service of Medical Supply. An excellent working arrangement has been set up in which MSU will work in conjunction with the General Directorate of the Budget and with the Health Department in establishing a new and modern control system for medical supplies. This will involve the use of IBM machines and procedures, the organization of new ware-housing methods, and a general revamping of the present system. During the initial phases, it is planned that there will be one member of the MSU-Budget team on hand to render assistance at all times. After this phase weekly contacts will probably be sufficient. With the introduction of a modern system we feel that the Department of Health will become a model for other governmental departments.

In the Service of Finance we have been endeavoring to discover the reasons why the Health Department takes longer to process its accounts for purchases than any other department. Research revealed that the greatest delay did not rest with the Treasury or the Department of Finance but within the Health Department itself. The Chief of the Service of Finance was somewhat reluctant when Mr. Myers asked to look at his records and accounts

so no further work was done in that office.

Dr. Cam suggested at this point that it might prove fruitful to study the financial and procurement activities of several hospitals in the Saigon area. Here two extremes were found. Some of the hospitals were doing an excellent job in preparing purchase orders, processing papers, etc., while others were not doing a satisfactory job. Dr. Cam has agreed that we, in cooperation with Budget O and M men, may work on the preparation of a standard simplified procedure to be used throughout the Department and the province hospitals. This would include a certain amount of in-service training. A written proposal on this subject is now being prepared. Dr. Cam has appointed the Chief of the Service of Finance as our point of contact within the Health Department.

In conjunction with WHO personnel and USOM Health and Sanitation Division personnel, reorganization of the Department has been discussed. Some reorganization could result in a more efficient and workable organization than the present one. However, any modifications should be discussed at a series of round-table conferences to include Health Department, WHO, USOM and MSU personnel.