

Tools of State Regulation of National Healthcare

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Abstract. The healthcare system is one of the most significant elements of the state social protection system. In the Russian Federation, the foundation of the healthcare system is made up by an extensive post-soviet network of healthcare facilities; meanwhile the private market of healthcare services is also becoming a massive phenomenon. However, on the large scale most of the healthcare facilities receive funding from the state budget, and their financing is greatly dependent on the socio-economic situation in the country. Thus, lack of financing appears to be a major negative factor when it comes to rendering quality public healthcare services to different segments of the population. Development of the healthcare as a socio-economic structure should harmonize with the socio-economic development of the country. This principle is closely connected with the problem of adaptability of the services and units of the healthcare system to the national reforms. The key element of all the quality management models in the healthcare is the standard of the healthcare service. Moreover, it is important to mention that the core of the quality management system in the healthcare is comprised of a complex of healthcare product and service standards which make a set providing for the quality, complete range and safety of the available healthcare services.

1. Introduction

Russia is a social state and its major priority is caring for the wellbeing of its citizens and their health (physical, psychological and social welfare of an individual, which eliminates the possibility of developing a disease or dysfunction of the organs or their systems [1]) [2]. Therefore, the state implements its social policy via administrating the system of healthcare with the purpose of its efficient organization and control accompanied by the rational and appropriate use of material, human, information and other resources.

The public healthcare is administered by: the government of the Russian Federation responsible for the unified state policy in the area of healthcare; federal executive authorities working in the area of health protection and their representatives in the regions (Ministry of Health of the Russian Federation and Ministries of Health of the subjects of the Russian Federation as well as state organs of sanitary and epidemiological surveillance); municipal local self-governing authorities (including central municipal healthcare facilities) and their territorial representatives; executive governmental authorities of the subjects of the Russian Federation in the area of healthcare, administrative authorities in the area of health protection of other federal executive organs affiliated to the federal executive authorities, the Russian Academy of Sciences and executive authorities of the subjects of the Russian Federation; healthcare organizations and establishments and other facilities, including preventive healthcare institutions, pharmaceutical companies and pharmacies established by the ministries, governmental authorities and organizations of the Russian Federation; healthcare organizations involved in the supervision of the consumer rights protection and human welfare, forensic expert institutions, other organizations and their separate divisions active in the area of health protection [3].

Currently, the Russian national healthcare has many flaws. Consequently, there remains a considerable gap in the life expectancy (8 years) of the Russian citizens and the citizens of the European countries [4] though it is noteworthy that life expectancy has increased from 65.4 years in 2005 up to 73 years in 2018 [5]. However, the situation is particularly alarming when it comes to the mortality rates among the economically active male population; for instance, according to the World Health Organization (WHO), the mortality rate among Russian male citizens aged from 15 to 60 is double the average mortality rate in Europe (in 2015 – 325 and 168 per 1000 citizens respectively) [6].

Nevertheless, Russia is not alone in such a difficult situation as half of the world population does not receive the full range of the healthcare services. The member states of the UNO have resolved to achieve universal health coverage (UHC) by 2030, the latter being one of the key factors of sustainable national development, which implies receiving financially affordable quality healthcare services by the population that would allow improving health and eliminate the major causes of fatal diseases. The social aspect of the UHC presupposes reduced risk of the patient's impoverishment in case an illness develops unexpectedly and requires considerable expenses on treatment that interfere with the life plans of the afflicted individuals and their families.

It should be clearly understood that UHC does not provide full health coverage (of any imaginable medical procedures) for free as there is not a single country in the world that could afford full health coverage funded from the budget. The purpose of this project goes beyond health issues and includes support of patients during and after the treatment, taking steps towards the improvement of social protection and social equality of the population, which contributes to the sustainable development of the country [7].

The bodies regulating healthcare include:

- Budget-funded healthcare insurance system comprised of the compulsory health insurance (CHI) administered by the Federal fund of CHI (FFCHI), territorial funds of CHI and their branches, and executed by the insurance companies; the system of voluntary health insurance (VHI). Health insurance organizations that fall outside the healthcare system act as the CHI and VHI tools. Thus, the systems of CHI and VHI per se make a regulatory mechanism of the domestic healthcare system.
- System of quality management as a key element of all quality management models in the area of healthcare. Moreover, it should be mentioned that the core of the quality management system in healthcare is a set of standards of healthcare products and services providing for the quality, full range and safety of the healthcare services.
- Standardization that has become one of the concepts according to which business structures solve the tasks of sustainable development of healthcare; in recent years, the ISO has developed over 1200 standards applicable in healthcare. Thus, it is the implementation of the standards and compliance with them that to a large extent allows regulating the healthcare system. The certification tools (confirming quality and content of healthcare services) are of no less importance as well as licensing (giving official permission to perform certain types of activities in the area of healthcare) and accreditation.
- Organs of surveillance such as Federal Service for Supervision of Healthcare, Sanitary and Epidemiological Surveillance Service and Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing that perform their functions of control and surveillance in the areas of healthcare, sanitary and epidemiological safety and protection of the rights of healthcare consumers.

2. Background

The Ministry of Health controls the activity of the healthcare organizations irrespectively of the type of legal entity and departmental affiliation by means of insurance, standardization, certification, accreditation and licensing.

In this process, the major role is played by the CHI and VHI systems as well as availability of the primary health care (PHC). The WHO has elaborated a complex definition of PHC based on the idea of making healthcare available for the patients, their families and all the population via the massive promotion of healthy life style, health protection, preventive aid and medical treatment, rehabilitation and palliative care throughout the whole life of an individual while prioritizing the key systemic functions.

3. Focus of the research

From this perspective, regulation appears to be a compulsory element and one of the key functions of the system of public healthcare administration that provides for the functioning of the system of management in the given mode and its correction via the introduction of new legal acts. The system of healthcare administrative bodies and tools of state regulation are shown in Figure 1.

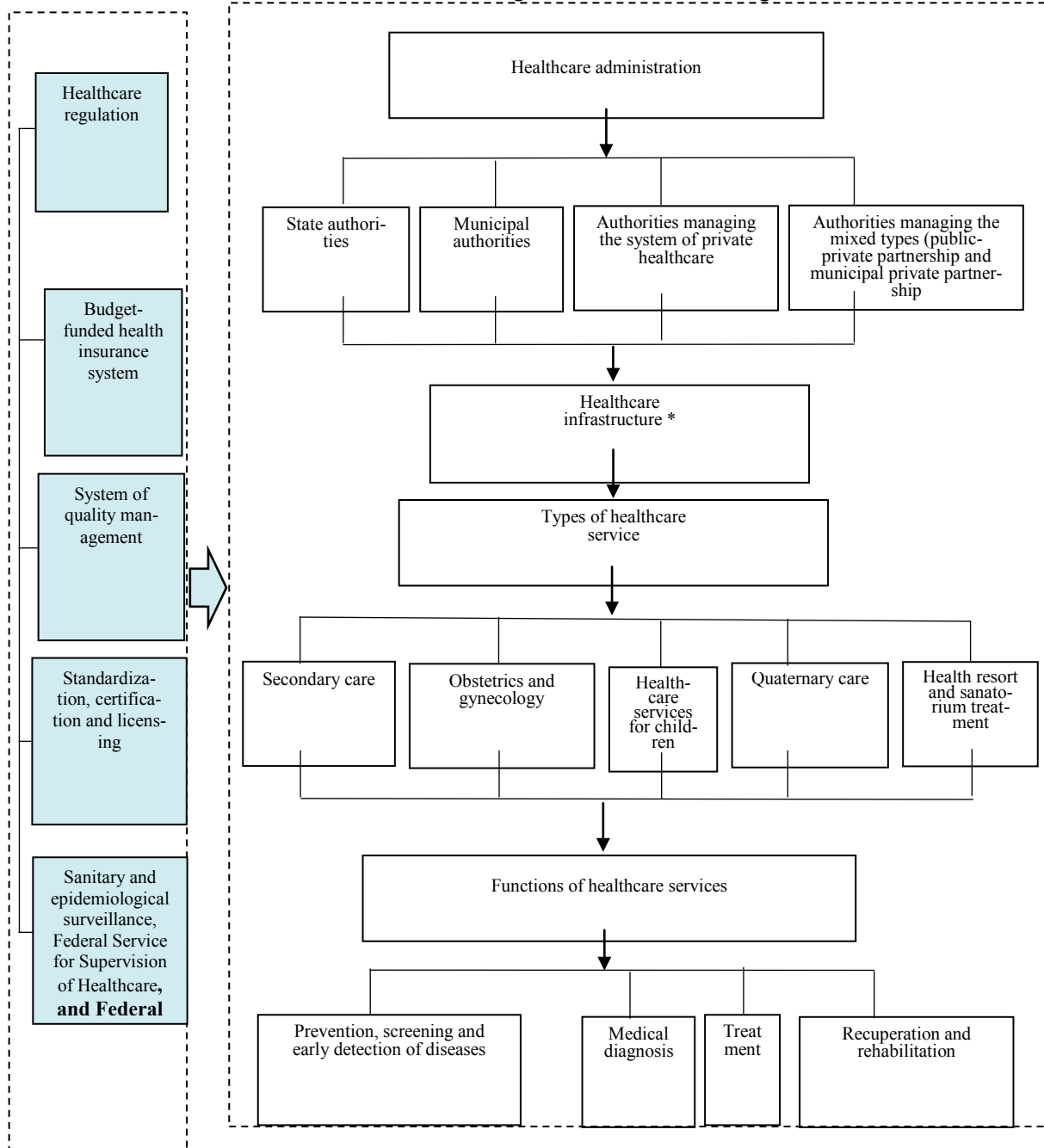


Figure 1. Model of healthcare regulation.

*therapeutic, health resort, educational and research institutions and organizations, pharmacies of all forms of ownership and forensic medical establishments.

In this context, the PHC is an efficient method of UHC whose global implementation would require hiring additional 16 million healthcare professionals and, on the global scale, would allow creating jobs for approximately 40 million people [7].

The indices for monitoring the UHC process selected by the WHO are the share of the population that has access to the basic quality healthcare services and the share of the population that spends a large part of household income on healthcare.

Citing the data provided by the United Nations Organization, the World Health Organization and the World Bank, in 2016 Bloomberg., a US financial, data and media company [8], presented a rating of the world nations as per the efficiency index of their healthcare. Bloomberg’s annual rating placed Russia on the 55th position with the efficiency index of 24.3 (Hong Kong being rated first, Japan – fifth and Australia – tenth). The criteria for rating include life expectancy, healthcare costs per capita and healthcare expenses related to the GDP of the nation. Table 1 below shows the corresponding data on a number of countries leading the chart and those falling behind, i.e. Hong Kong, Spain, Japan, the USA and Russia.

Table 1. Efficiency indices of the national healthcare systems

Rating position	Country	Index		
		Life expectancy	Healthcare expenses as related to GDP, %	Healthcare costs per capita, \$
1	Hong Kong	84.1	5.4	2021
3	Spain	83.3	9	2658
5	Japan	83.9	10	3704
50	USA	79.5	17	9403
55	Russia	71.2	7	893

The rating above undoubtedly relies on life expectancy as a key efficiency index of healthcare of the country. The Hong Kong population has the highest life expectancy, and in Spain, Japan and the USA the public funding of the healthcare provide for the higher life expectancy in these countries compared to Russia. Judging by the data in the table and in comparison to the developed countries, Russia’s healthcare can be referred to as lagging and catching-up.

It is also clearly seen that life expectancy in the USA is 8.3 years higher than in Russia whereas the costs per capita are 10.5 times bigger. On the other hand, comparing the USA to Spain where the life expectancy is 3.88 years higher and costs per capita are 3.5 times smaller, it becomes evident that public health funding does not one hundred per cent guarantee a considerable increase in life expectancy. For instance, today experts describe the US healthcare as one of the most expensive, but least efficient among the developed countries [9, 10].

Achieving the highest possible indices means development of the universal health coverage which is announced as the key goal by the World Health Organization.

4. Solutions, Results and Recommendations

According to the program of state guarantees approved by the government of the Russian Federation, the services provided free of charge include emergency medical services, primary health care on an outpatient or day inpatient basis, consulting primary care doctors and secondary care specialists (cardiologists, ophthalmologists, gynecologists, urologists, etc.). Besides, the citizens have access to the special, complex and expensive methods of examination and treatment [11].

It is important to mention that almost all state and municipal healthcare institutions that are supposed to render healthcare services for free, provide and sometimes impose chargeable services, usually when it comes to the high tech medical examination (MRT, CT, IVF, medical ultrasound, dialysis, chemotherapy, colonoscopy) hiding behind lack of the necessary equipment or specialists or referring to the unreasonably long waiting time to get the free service. This happens despite the fact that the mentioned types of complex medical care are included in the program of state guarantees and covered by the CHI system, i.e. are free for the patients [12, 13].

5. Conclusions

Starting 2019, in compliance with the WHO's resolutions, domestic healthcare facilities have introduced the system of patient support which lies in protecting the rights of the patient in the process of receiving healthcare services whereas the insurance companies control the quality of the healthcare service after it has been rendered [14]. The system of patient support is implemented via the insurance agents (11 thousand of them have received special training) whose purpose is to provide individual support for the patient starting from his first visit to the outpatient clinic and up to the end of treatment and discharge from the inpatient hospital as well as regular checkups, vaccination and disease prevention [15-18]. For this purpose, hospitals and outpatient clinics will have terminals providing direct communication with the insurance agents so that any patient could get in touch with the insurance agent right from the healthcare facilities and receive an expert consultation as for any concerns he may have about the quality of healthcare.

All the insurance payments have been administered by the Federal Tax Service since 2018, which has already had a positive effect [19]. Hence, the budget revenues of the Federal Fund of the Compulsory Health Insurance (FFCHI) amounted to 1.2 trillion rubles in 2018, which is 10.4% more than in 2017 [20, 21]. At the same time the share of transfers from the federal budget into the FFCHI reduced by 5%. Besides, the concentration of the insurance payments in the FFCHI allows major balancing of separate regions' financing, which remains one of the priorities. Today, we are in need of developing and implementing an insurance model that could guarantee the flexible system of financing healthcare while concentrating and efficiently managing the insurance payments and, thus, providing for the sustainable cash inflow.

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