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ORGANIZATIONAL BASICS OF ACCOUNTING IN HEALTHCARE SYSTEM

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ОРГАНІЗАЦІЙНІ ЗАСАДИ БУХГАЛТЕРСЬКОГО ОБЛІКУ В СИСТЕМІ ОХОРОНИ ЗДОРОВ'Я

Anotation. In the article was described the current system of healthcare in Ukraine. It is investigated the main problems of health care system. Also it is analyzed features that cause problems.

Key words: health care system, reform, control, equipment, procurements, state hospitals.

A health system, also sometimes referred to as health care system or as healthcare system, is the organization of people, institutions, and resources that deliver health care services to meet the health needs of target populations [2]. This segment is very important in general economic conditions. People must organize constant and continual control for all changes that occurs in that sphere. Quality healthcare is the main key element in the procedure. Quality of healthcare includes such characteristics as efficiency, efficacy, effectiveness, equity, accessibility, comprehensiveness, timeliness, appropriateness, continuity, privacy and confidentiality. Health care system must be reform both at the state level and at the level of the industry.

Public health care in independent Ukraine is carried out on the principles proclaimed in the Constitution of Ukraine and Bases of Ukraine's legislation of health care, which guarantee to everyone right to health care [1].

The problems of reforming became the main conditions that formed modern approach to healthcare system in Ukraine: low economic efficiency of use of health care resources, imperfect system of payment of doctors and other health professionals and disproportions in development of outpatient and inpatient medical care. Level of health expenditure is one of the lowest in the world (fig 1).

Among the main directions of healthcare system transformations is reforming of primary health care on principles of family medicine, distribution of prevention activities and promote healthy lifestyle, increasing budgetary financing of health care, introduction of multi-channel financing.

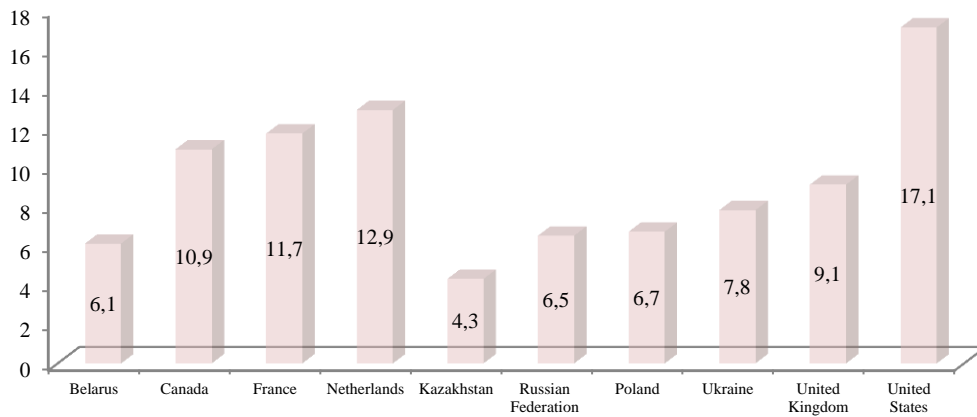


Figure 1. Health expenditure in Ukraine comparing with different countries (% of GDP) [8]

Health expenditure per capita in Ukraine comparing with different countries is even smaller (fig 2).

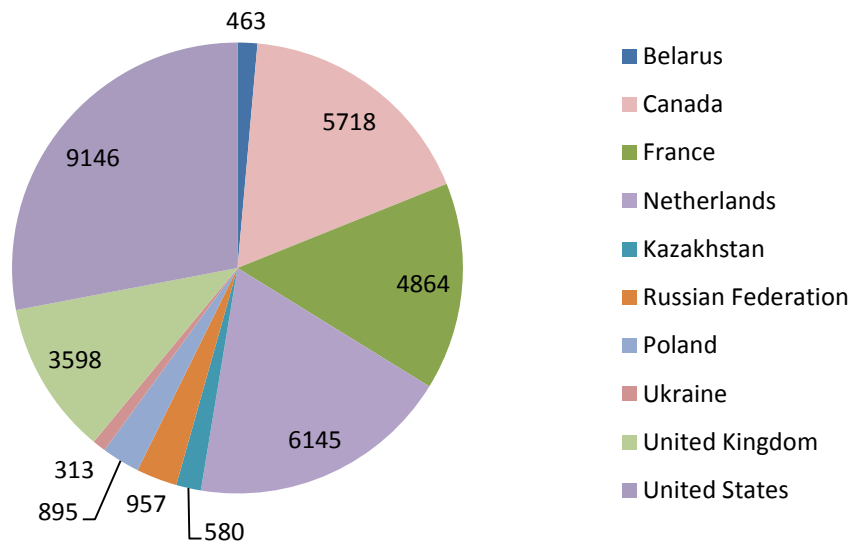


Figure 2. Health expenditure per capita in Ukraine in comparing different countries [8]

But this process is caused by many problems at state and social levels:

- 1) poor financial conditions of many hospitals;
- 2) poor technical and diagnostic support of many state hospitals;
- 3) inappropriate education of medical personals;
- 4) expensive diagnostic testing and therapies;
- 5) few incentives for professional development;
- 6) guarantying the quality of medicine;
- 7) a flourishing of private medicine;
- 8) very expansive technology;
- 9) absence of different medical aids such as first response medicine, paramedical service, preventive medical and national medical insurance;

10) the corruption currently dominating the healthcare system of Ukraine.

In August, 2014 Ministry of Health of Ukraine initiated the development of National Strategy on Health Reform Strategy to revitalize and speed up the process of reforms in Health sector through elaborating strategic approaches to improve the quality and access to health care and ensuring the mitigation of financial risks for population [4]. The future health system should be based on three underlying principles, namely being:

- 1) people-centred;
- 2) outcomes-oriented;
- 3) implementation-focused.

Such a model helps to create a system of clear and exact healthcare payments on a “money follows the patient” principle. As the current system based on limits for patients “choice and doctors” ability that helps to select the methods of treatment.

The first step is to reorganization and optimization of healthcare institutions and personnel on a local level will result in an economy of funds. Nowadays situation in this field is critical (fig. 3). This will include repurposing medical institutions to provide social services, in particular: a reorganization of the repurposed hospitals and polyclinics into nursing homes for people with special needs, chronic diseases, elderly people and into rehabs for alcohol and drug addicts [4].

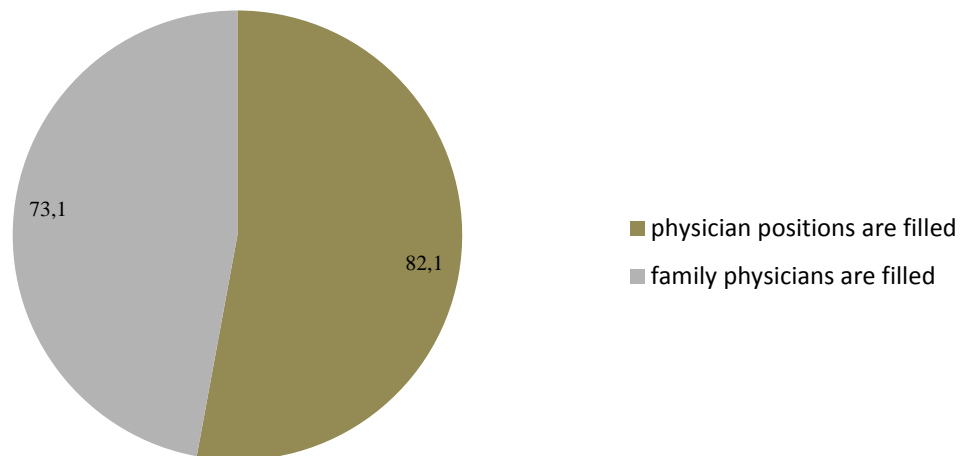


Figure 3 Security of physicians

In 2016 were made next changes in reforms:

The effectiveness of reforms should be evaluated with the help of financial audit, the monitoring of expenditures (control) and for which services to a specific patient, and how the doctors' revenues will grow after these innovations. The officials and experts stressed that the key tasks for today are to consider in detail the mechanism of evaluation with clear performance indicators and to introduce a single electronic system, which will record all services rendered [7].

A financial audit is the examination of the financial dates and accompanying disclosures by the independent auditors [9]. The main components of financial audit are:

- interviews;
- observation;
- test work.

The first step is determination of scope – boundaries of financial audit that must include primary medicine, budget financing, also it is important to indicate time period being audited, accounts or processes being tested, measures for testing. 6 phases of audit is conducted on fig. 4.

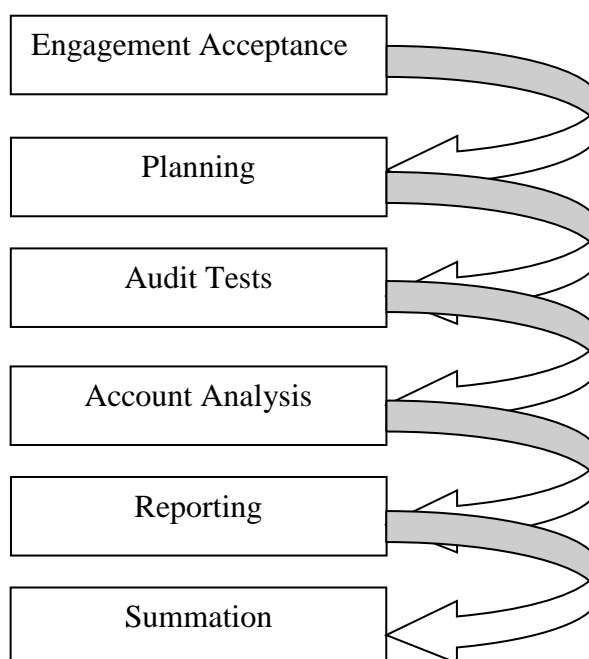


Figure 4 6 phases of audit is conducted

On this stage it is very important to control strategic goals [5]:

1. Medicines and vaccines of good quality are more accessible and affordable for people.
2. Health care services of better quality delivered in efficient and patient-centered manner.
3. Fair financing system in place with more financial protection and lower informal payments.
4. New public health system established and provides quality population health services.
5. MOH is re-profiled away from operational functions toward policymaking.

Over UAH 4.5 billion from the state budget went to purchase medical equipment for the last five years for state hospital. Despite the significant funds problem of modern medical equipment is one of the most pressing for the health care institutions. It is proved by the routine effectiveness audit of the funds use of the State Budget of Ukraine to centralized purchase of equipment for health care institutions. Accounting policy is not appropriate in the medical institutions. According to numbers of audits, in these years it has been built non-transparent system of accounting policy that regulated medical equipment procurement. As a result, health care hospitals are equipped in

inappropriate way and budget resources are dissipated. Rates of equipment depreciation were not revised during last years although some hospitals buy very expensive foreign equipment and its useful life could be prolonged for some years. For example, now was adopted the grant for purchasing special equipment for Ukrainian healthcare facilities at the expense of Japanese government.

Equipment (very often ambulance cars) purchased for rural health care institutions were transferred to other medical institutions for unknown reasons. As a result, some hospitals are supplied with medical equipment less than it is needed and if accounting policy was prepared appropriately such situation could be avoided.

At current level of medical reform in Ukraine it is very important to conduct centers that would provide qualified aid, accounting and bookkeeping, financial management for state hospitals.

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