

Autonomy Policy In Hospital Management

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Abstract

In Indonesia, financial problems have reduced the ability of the central government to finance hospital development. Practically, the government keeps away from the welfare state, which the state should finance all its public services from tax and state enterprise. Hospitals are increasingly being relegated to a service system based on the principle of private goods. As a result, beside of referring to social humanitarian services in a factual manner, hospital services have developed into an industry based on economic principles with one of the prominent characteristics, namely a competitive nature. The understanding that the hospital is already an industry is the basis for developing the quality of hospital services. Without this understanding, it is difficult for Indonesia hospitals to compete with hospitals in other countries that provide better services. The facts have shown that many Indonesia society has sought medical treatment in other country. This phenomenon can be called the first stage of globalization. Meanwhile, the second stage of globalization is the operation of foreign hospitals in Indonesia or foreign investment in the health care sector.

Keywords: globalization, hospital autonomy, foreign investment, health care

1. INTRODUCTION

Currently, hospital services in Indonesia are facing a question mark period. Is it true that global competition will cause health services in Indonesia to be pressured by foreign investment or government health services will be pressured by private health services, including preventive and promotive health services [1]. When we refer to other sectors, there is historical evidence that Indonesian production is pushed back by global competition; for example soft drink, fast food until hotel management.

Meanwhile, in the local environment there are also interesting circumstances. Health service organization staff take various actions to seek higher income. The former missionary health service organization has become an institution, where professionals, such as: specialty doctor, general practitioners, nurses, and other personnel earn more [2]. The inability of hospital institutions to provide adequate economic incentives led professionals to look for additional job. The case of government hospital specialty doctor who earn the most from private hospitals is a classic example of the failure of government hospital institution to provide adequate compensation.

One of the important concepts in the hospital sector that is used globally to improve service quality is hospital autonomy. In many countries the concept of hospital autonomy is part of public service reform that aims to pay attention to public demands for an increase in the quality

	Example Government, the Ministry of State-Owned Enterprises (BUMN) or private institution	appointed by the owner and directed by the owner but not subordinate to the owner	makes decision independently
Administration	Direct management who also sets by the owner, the rules for hospital Management	Limited power decentralized to hospital management; the owner still has influence over management Decision	Independent management operated under the direction of, the Management Board, with meaningful independent decision making power
Purchase	Purchase is made centrally, where the owner determines the amount and total expenditure	The combination of decentralized Purchasing	Purchasing as a whole is controlled by hospital management
Financial management	Fully funded by owner; the owner has control over finance	The owner subsidizes and funds the hospital through other sources. There is influence from the owner but generally under the control of the Management Board	Full financial autonomy. No subsidy from the owner; The overall management of fund is under the control of the Board; manager has significant independent decision-making capacity
Resource Management	The staff is appointed by the	Staff are hired by the Management Board, and	Staff are hired by the Management Board:

	<p>owner; regulatory Control is fully</p> <p>conducted by the owner</p>	<p>work under the rules of the Management Board, but must also obey the owner regulation</p>	<p>all conditions and regulations are set by the Board; managers have significant decision making capacity</p>
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By using this understanding, it can be concluded that the hospital self-financing policy in Indonesia is a form of partial autonomy [6]. The self-funding policy provides limited autonomy in financial aspects and is not full. Meanwhile, there is the term full autonomy which is referred to as corporatization to the direction of privatization of government hospital.

3. Hospital Corporation

In the Philippine, the language used for the hospital autonomy policy is hospital corporatization. In this term, there is an understanding of process that leads to become a business institution (corporate) that has broad autonomy [7]. One of the points of reform in the Philippines, the official of Department of Health in the Philippine, regarding autonomy in hospital finance is as follows. Reform in the hospital sector in the Philippine is expected to be able to allow government hospital to receive and to manage their own functional income derived from the community [8].

Experience in the Philippine shows that specialty hospitals have a corporate form such as the Philippine Children Medical Center. In Indonesia, the development towards the concept of hospital autonomy has been carried out through self-funding policy. This policy is actually only a small part of various aspects of hospital autonomy. The self-funding policy is limited to the use of the hospital's functional income [9]. Meanwhile, for other aspects such as purchasing hospital equipment, recruitment of specialty doctors are still carried out by the central government. In Thailand, the policy of using government hospital functional income in autonomy has been long and widespread. Therefore, innovation in the application of hospital autonomy in Thailand is not only in terms of financial management, but also includes human resource management and various other aspects. This innovation was carried out at Ban Phaew Hospital in Bangkok.

The hospital corporatization process is already underway in Indonesia. This process is running even though there are still confusion about the existing meaning. For example, in an Regional General Hospital in East Java, it was found that the development of self-funded hospital into a hospital in the form of Regional Technical Institute. This development turned out to be a setback because the autonomy for the use of functional income did not exist anymore after becoming a Regional Technical Institution. The hospital changed back its financial management system like a bureaucratic institution. In Jakarta (DKI), regional general hospital has developed into Plus Technical Implementation Unit (UPTP) which has various additional autonomies, including autonomy [10] in the field of human resources. In the Central General Hospital (RSUP) group, the change from a self-funded hospital to Service Corporation (Perjan) developed into an institution that is expected to be more autonomous and managed as a business institution (corporation) [11]. However, in early 2003 the Service Corporation (Perjan) policy was at a crossroad because it turned out that the draft law on State-Owned Enterprises (BUMN) did not recognize the form of the Service Corporation (Perjan). Based on a bill (RUU), there are only two forms, namely Public Corporation (Perum) and Limited Corporation (Persero), both of which are based on the principle of seeking profit. With this principle, of course the forms of Public Corporation (Perjan) and Limited Corporation (Persero) are not ideal choices for Central General Hospital (RSUP). Therefore, there is a growing discourse to make Central General Hospital (RSUP) as an organization in the form of a Public Service Agency (BLU). The legal form of Public Service Agency (BLU) can actually be interpreted as non-profit corporation. The application of Public Service Agency (BLU) is still being developed. The mindset of hospital

autonomy in Indonesia and the management aspects that are given autonomy [12] can be seen in Table 2.

Table 2. Management aspects in hospital autonomy in Indonesia

Aspects of management that are given autonomy				
Legal Form of Government Hospital	Finance	Human Resources	Purchase of medical equipment, drug, and consumables	Strategic Management
Central General Hospital (RSUP)				
Non-Tax State Revenue (PNBP)		-		
Self-Funding Unit	+ (limited)	+ (limited)	-	+ (limited)
Service company	+	+ (limited)	+	+
Public Service Agency (in discourse)	?	?	?	?
Regional Hospital (RSD)				
Self-Funding Unit	+ (limited)	+ (limited)	-	limited
Regional Technical Institution (various understandings)	?	?	?	?
Regional-Owned Enterprises (BUMD) (in discourse)	+	?	?	?

Until now, it is still difficult to study autonomy aspects given to hospital, especially regional hospital [13]. The delivery of various aspects of autonomy depends on the context of each region. It is worth observing in the table above and it needs to be understood that the more aspects of management that are autonomous [14], the more hospital will increasingly use company principles in managing the hospital. The impact of using company principles can be seen in Table 3.

Table 3. How to assess the impact of autonomy

Criteria for Evaluation	Level of Autonomy Impact			
	Contrary Impact	There is no Changes	Several Improvements	Meaningful Improvement
Efficiency				

Service quality and public satisfaction				
Accountability				
Equity				
Resource Mobilization				

In evaluation criteria, it can be seen that matters related to economic principles such as efficiency, accountability, equity and resource mobilization are important in hospital reform. Thus, changing the hospital from social institution to business institution requires the ability and skills to use economics which is not only for financial gain, but also the use of economics for equity and ethics for hospital business institutions.

4. CONCLUSION

Based on observations in historical perspective, the hospital management has de facto changed to a system that led to a corporate system. The implication was the impact on the social image and missionary that has been inherent. Several critical questions arose, namely: (1) Is it possible for a business institution management system with social values to be carried out by the hospital?; (2) If the hospital has implemented a business institution management system, have other parties changed? For the record, hospitals should be seen as part of a health service system consisting of: the community, the government, the Community Health Care (JPKM) system and health insurance institution, as well as health service providers consisting of primary to tertiary services, the pharmaceutical industry or medical equipment, and the education system for personnel health.

If the hospital changes but other parties do not change, then conflicts will easily occur, for example the conflict between PT Askes Indonesia and the government hospital; conflict between the hospital and the Provincial or District or City Health Office; Conflict within the hospital itself; between directors and specialty doctors; conflict with the community over the issue of too expensive medical cost. Thus, if the health service system wants to reduce conflict, then a major change in the health care system is needed.

Based on the dynamics of events recorded in history, changes in the health care sector deserve to be called reforms because they have the following characteristics: changes are more structural and not evolutionary or gradual changes; change is not just policy but institutionalized; change is intentional not accidental; change must be sustainable and long term; and change is supported politically from above; starting from the central, provincial, until district levels. In this process of historical change, it can be seen that economics plays a very important role. In this case, it should be emphasized that economics is not only aimed at seeking profit, but this knowledge can be used as a basis for guidance to seek justice and equity for all levels of society in obtaining health services.

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