# Teaching the Public Administration in Health Care

## in the Russian Federation

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#### **Abstract**

Medicine is an important component of the stability of any state, so the study of teaching the legal problems and state regulation of this sphere is useful from both theoretical and practical points of view. Currently, the health protection of the country is one of the priorities of the state policy in the social sphere, which is vividly demonstrated in the "May" decrees of the President of the Russian Federation from 2012 and 2018. Thus teaching the health care financing is the most important instrument of state regulation of this sphere of public life. The article analyzes the main tasks and directions of development of state support for the health care system in recent years. That also allowed to identify the most acute problems. This work may be useful for developing proposals for improving the relevant legislation in this area. In addition, this article will be useful for representatives of both medical and legal science. In the future, it is necessary to improve scientific cooperation between representatives of legal and medical Sciences.

Keywords: public administration, teaching healthcare, audit, financing, medical care, medical services

## 1. Introduction

Public administration is a system of means of influence of the state on society and business, including such elements as state bodies, the system of state service, state funds, corporations and other components, as well as relations and interrelations between them.

According to modern ideas of public administration, the authorities implement their powers through organizational and management mechanisms. One of the main qualities that should be inherent in the mechanism of public administration in this area is efficiency, commensurability in scale in accordance with the tasks set.

Among the main directions of state regulation in health care are the following:

- 1. Formation of authorized executive authorities in the field of public health to implement the set political vector set by the government;
- 2. Financing of state programs (including state guarantees of free medical care);
- 3. The regulation of education and science in the field of medicine and pharmaceuticals;
- 4. Development of the medical services market (Innovative) and development of the market for pharmaceuticals and medical equipment (industry);
- 5. State control and audit;
- 6. Improve regulatory mechanisms.

The Russian Constitution provides for the right to health care and the provision of qualified medical care for free. Officials who conceal facts and circumstances that entailed a threat to the life and health of citizens are brought to legal responsibility. In addition, the state assumes the obligation, in accordance with Part 2 of Art. 41 of the Constitution, to develop and finance various programs and projects in the field of improving the health of citizens by improving health care at various levels (federal, regional, municipal). This suggests that the state also imposes responsibility for the formation of competitive (complementary) health systems, eliminating the monopoly in the field of public health [4].

Development of health care is one of the priorities of the Russian Federation, which is fixed, in addition to the Constitution, in the Federal Law "On the Basics of Citizen Health Protection in the Russian Federation" (Law No. 323) which says that health measures are held: with generally accepted principles and standards in accordance with international standards; regardless of gender, racial, religious or other affiliation; protected from any kind of discrimination due to the presence of any disease.

The said Law No. 323 is the legal basis for the regulatory framework of the healthcare sector in the Russian Federation and establishes the basic principles and rules for regulating the protection of public health and the healthcare system as a whole. After all, indicators of population health are closely related to the economic development of the country and the standard of living of the population.

#### 2. Methods

heoretical methods of scientific research such as the comparative method, analogy, generalization, analysis, problem statement and hypothesis building, as well as empirical methods - the study and synthesis of experience, research in time, study of the results of functioning of individual institutions.

#### 3. Summary

The health care system in the Russian Federation is not uniform in its structure. According to the current legislation of Russia, there are several levels of health care: state and municipal. In addition to state and municipal health care, there is a private health care system, which is represented by commercial organizations of various profiles. The state system may include federal and regional (level of constituent entities of the Russian Federation) structures, such as medical organizations of therapeutic and prophylactic profile, rehabilitation centers, pharmaceutical, pharmaceutical and other institutions. Based on such a division, it can be concluded that, in legislative terms, health care has a three-level structure.

According to the World Health Organization, the effectiveness of the health system can be assessed as satisfactory if the share of its funding is at least 6% of GDP. In the Russian Federation, this figure does not exceed at present more than 4%, which puts the country on the 71st in the world in financing and in 130th place in the world in health care efficiency. This suggests that under the current economic system there can be no satisfactory health care by definition.

The government of the Russian Federation considered the issue of raising funding for the health care system at the end of 2017. Thus, the current head of the Accounts Chamber of the Russian Federation proposed in 2017 to increase health financing by 0.724% of GDP by 2024. According to the Government's plan, as part of the implementation of the Healthcare Development Program, funding for the industry in 2017 was to grow by 14%, which amounted to more than 300 billion rubles. In the future for 2018-2019 it is planned to increase expenditures from the federal budget for the needs of health care by 18.3%, which may amount to about 460 billion rubles.

It is worth noting that the Ministry of Health of the Russian Federation is implementing a number of projects aimed at increasing public satisfaction with medical organizations. The goal of one of the projects ("Lean Polyclinic"), for which about 90 million rubles were allocated in 2017, is to increase the level of public satisfaction with outpatient polyclinic institutions of the public health system to 70%. At the moment, the project involves the majority of the subjects of the Russian Federation, which indicates the scaling of the idea throughout the country. According to the plan of the Ministry of Health, in 2017 the project was supposed to cover more than 2,000 medical organizations.

Another example of a project in the field of public health is "Strengthening a healthy lifestyle", which is designed to encourage citizens to lead a healthy lifestyle, namely, to give up tobacco use, to refrain from excessive consumption of alcoholic beverages, to use contraceptives to protect against STDs sexually and so on. Funding for this project in 2017 amounted to about 400 million rubles.

Not spared the attention of the state and staffing the health system. The implementation of the project "New Cadres of Modern Healthcare" cost the state treasury in 2017 1.5 billion rubles, which was aimed at creating an accreditation system for medical workers (creating a platform), purchasing equipment, software and much more.

By increasing the costs of general financing for the industry, the Government is reducing allocations for the development of a number of areas of medicine. Thus, in the sphere of "oncology" (care for oncological patients) expenses decreased in 2017 from 800 million rubles. up to 58 million rubles. Dramatically increased funding for high-tech assistance, which will undoubtedly contribute to the development of this area (from 0.7 billion rubles to 6.1 billion rubles) in 2017.

Over the past decade, one of the main trends in financing domestic health care has remained - increasing state funding at the expense of all levels of the RF budgetary system with the increasing role of the compulsory health insurance system. The expenditures of the budget system of the Russian Federation on the health care system according to the Federal State Statistics Service are presented in Table 1.

Table 1. Expenditures of the budget system of the Russian Federation on the health care system according to the Federal State Statistics Service.

INDICATOR	2014	2015	2016	2017
Total expenses (billion rubles) including:	2478,0	2895,7	2974,9	3274,9
Federal budget	405.1	357,7	309,7	315,9
Consolidated budgets of subjects of the Russian Federation	1034,6	1098,7	1154,7	1376,7
Payment for service budget	1038,3	1439,3	1510,5	1582,3

By analyzing the data presented, it can be concluded that the share of budget allocations (the federal budget, the consolidated budget of the subjects of the Russian Federation) tends to decrease while the "burden" on the MLA funds increases. MLA known as Federal Found.

If we consider in more detail, then most of the costs go to finance specialized medical care (medical care provided in inpatient conditions), the smallest part goes to emergency medical care, although its financing is growing over time. Primary health care, which is the basic foundation of any health care system, is being spent year after year with more and more budget funds (including OMS funds). The volumes of financing of the state health care system of the Russian Federation in accordance with the data of the Federal State Statistics Service are presented in Table 2.

Table 2. The volume of financing of the state health care system of the Russian Federation.

Item of expenditure (billion rubles per year)	2014	2015	2016	2017	Growth rate in the period from 2014 to 2017 in%
Primary health care	522	574	612	637	124,2
Specialized medical care	827	889	952	989	120,1
Emergency	99	108	113	120	122,5
Drug supply	151	153	162	168	112,3

Currently, most of the expenses from the consolidated budget of the Russian Federation are spent on inpatient medical care (53.08%), while on outpatient polyclinic - 1.6 times less (32.54%). Less than one percent of the funds are spent on day hospitals (0.53%). It can be seen that there is an imbalance in the expenditure of funds between inpatient and outpatient care, which suggests that the distribution of government allocations does not reflect the current trend towards increasing (focusing) attention and, as a consequence, an increase in funding for primary health care.

Among the sources of financing the health care system throughout the modern history of Russia can be divided into three main ones: budgets of all levels (federal, regional budget), budgets of the MLA (Federal Fund, Territorial funds) and other sources (including donations, investments, etc.). d.) These models (forms) of financing do not exist in a "pure" form and therefore it is worth talking about a "mixed" system of financing health care in the Russian Federation, although, of course, the dominant role of a source exists in a number of areas. Currently, in the Russian Federation there is a budget-insurance model of financing the health care system.

One of the urgent problems associated with the reform of the public health system is the transition to its "single-channel" method of financing through the territorial funds of compulsory medical insurance.

The introduction of "single-channel" financing, on the one hand, and the provision of a single insurance policy to all citizens of the Russian Federation, on the other hand, is an example of an effective mechanism for implementing the social function of the state in the field of public health, which allows you to receive free medical care under the Program state guarantees throughout the country. The new approach in the system of financing the health care of the Russian Federation has several advantages:

- 1. The relationship between costs and outcome ("effectiveness");
- 2. A more independent competition in the distribution of public procurement in the field of health care ("equity");
- 3. The presence of greater freedoms in the expenditure of funds allocated through the compulsory health insurance and increased responsibility for their use ("liability");
- 4. Enhancing the role of insurance organizations exercising control of payment for medical services rendered ("centralized");
- 5. A closer relationship between payment and diagnosis ("validity").

Despite the more progressive approach, the "single-channel" system does not solve one of the main problems of the national health care system today - the uneven provision. Another "weak" side of financing through funds is the "delay" in the payment of funds for services rendered, which can create additional problems for the municipalities in terms of salary payments, equipment purchases and the solution of current economic needs. The system of movement of funds within the framework of the "single-channel" approach is rather complicated, which entails an increase in "costs" and "losses". Considering that currently 58% of medical equipment used in the state health care system of the Russian Federation is to be replaced (renewed) and 44% of municipalities need capital repairs of premises, the question arises whether the state will be able to cope with the tasks of modernization using the "single-channel" approach to financing.

Due to the limited funding of the industry through the budgets of the constituent entities of the Russian Federation, structural changes are being made to merge the "cash flows" of cash infusions and accumulate them in the funds of the MLA. Despite the justified introduction of "single-channel" funding from the point of view of improving the mechanism for managing the health care system, municipalities face a number of problems:

- 1. Differences in the quality of medical services are not taken into account;
- 2. The cost of using the equipment;
- 3. Qualification of doctors;
- 4. The payment system does not allow the accumulation of monetary resources through the system, which could be spent on development and improvement;
- 5. The existing system does not "motivate" leaders to develop the institutions entrusted to them;
- 6. The transition to "more prudent" financing and ensuring the volume of services performed leads to an "inequality" of the subjects of the Russian Federation in terms of the payback of medical care per citizen.
- 7. The cost of services does not take into account the specifics of the subject of the Russian Federation, its standard of living, average wages, and so on;
- 8. The system of payment for services through is not able to estimate the "real" cost of treatment in terms of highly specialized care or, for example, in relation to cancer patients;

Financing through the payment for service funds is, in fact, financing through the budget, but through an authorized body that does not change the essence of the health care system. It exists at the expense of the state. The fund is only needed in order to monitor the effectiveness of spending funds. The transition from the "budget and insurance" model to the "insurance" exists on paper, but in fact only the mechanism for the distribution of budget funds is changing. The insurance part was "formed" in the 90s as an addition to the already existing budget model of financing the health care system, but to this day it has not become its full-fledged component.

## 4. Conclusion

Public administration in the health sector is facing other problems. There is no "feedback" from service users, i.e. from citizens. There are no real mechanisms for their possible influence on the development of this industry, their participation in public control over the activities of medical organizations, including financial control.

You can also indicate a low level of qualification of persons whose responsibilities include management in the field of health. For more than a quarter of a century, there has been no "school" of professional managers in the medical field.

Assessment of the achievements and personal responsibility of the performers for the result. In this regard, the question also arises of increasing the administrative, criminal liability of managers in particular for inappropriate and socially inefficient spending of finances.

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