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THE HEALTHCARE REFORM IN A CONTEXT OF DECENTRALIZATION

Every resident of a village or city has the right to modern medicine and education, accessible and high-quality administrative, communal, social services, good roads, clean and illuminated streets. But people can only influence the quality of these services when those responsible for their provision are nearby. The authorities closest to the people are the local self-government bodies: village, town councils and their executive committees. Therefore, they must have broad powers and sufficient resources to be able to resolve all local issues and be responsible for this.

For this purpose, decentralization is taking place in Ukraine, i.e. the powers and finances are transferred from the state authorities as closest as possible to the people – to local self-government bodies.

Medicine is the most problematic industry in Ukraine, especially in the area of medical aid in territorial communities. This is why reforming it in a context of decentralization is difficult to tackle and put into effect.

Ukraine's healthcare system is currently undergoing a radical and comprehensive change.

The implementation of the long-awaited healthcare reform in the country was initiated with the adoption of the Law of Ukraine «On State Financial Guarantees of Public Health Services» in 2017. [1]. After the adoption of a number of regulations, the reform process began and the first step in this direction was the revolutionary changes in the organization and financing of the primary health care (PHC) services system. This, in turn, initiated the involvement of local self-government bodies of the United Territorial Communities (OTC), which will play an important role in the successful implementation of the reform as owners of the PHC institutions located in their territory. The National Campaign for the selection of primary care physicians, family doctors and pediatricians kicked off in April 2018. For the first time Ukrainians were able to freely choose a doctor regardless of a place of residence. In

the first 12 months, about 63% of Ukrainians signed declarations with their doctors. This means that almost every other Ukrainian already has a trusted doctor whom he can contact in case of any health issues or from whom he can learn how to lead a healthy lifestyle and not get sick. One can change his or her doctor at any time by signing a declaration with another. Signing a declaration with a selected physician and payment by the National Health Service for each patient at the medical facility where this service is provided was made possible through the electronic health system. This is the first step towards the transition to electronic document flow in Ukrainian medical institutions.

The medical institutions that have contracted with the National Health Service [3] have been granted financial freedom and can manage their budget on their own. This allowed chief physicians to review payroll policies. As of January 2019, all community health facilities in the country where family doctors, physicians, and pediatricians work, have switched to the payments for services under contracts with the National Health Service. Most doctors expected a pay raise, and in principle they received it, but less than they expected. Instead, the unexpected thing became the load increase. Doctors were really hoping for a reduction in paper work, but now they are saying that the amount of paper work has not decreased and the electronic health system has been added hereto. Therefore, it is necessary to move very quickly toward the introduction of a patient electronic card.

According to the law, budget institutions are reorganized to form communal non-profit enterprises founded by local self-government bodies, including OTC. The responsibility for organizing the provision of quality medical care to its citizens rests with the local self-government bodies of the OTC.

The implementation of the PHC approach "requires and promotes maximum community and individual self-reliance and participation in the planning, organization, operation and control of primary health care, making fullest use of available resources" (Alma-Ata Declaration). [2] Thus, PHC aims to engage every citizen in the healthcare process, since such partnerships contribute to positive changes in personal and public life.

According to the provisions of the Law of Ukraine No. 2168-VIII of October 19, 2017 "On State Financial Guarantees of Public Health Services", the local self-government bodies may finance local programs of development and support of public health institutions within their competence (Article 3, paragraph 5), including:

- updating of the material and technical base, including its restoration and reconstruction;
 - raise in salares for healthcare professionals (local incentive programs);
- local community health services, local public health programs, and other health programs [1].

In addition, the OTC authorities pay for utilities and energy consumed by medical institutions from the local budget in accordance with the Budget Code of Ukraine.

Since the salaries of primary care workers are covered by contracts with the NHSU, OTC management can attract skilled nursing staff or fund specialized programs – for instance, public health and free vaccination campaigns – from its own resources.

PHC is an instrument of the OTC authorities in addressing strategic issues related to public health, supporting an active and productive workforce for the benefit of the economy, and ensuring the full participation of citizens in public life. Citizens' health can (and should) be the subject of state and local government' attention. The key question for the OTC authorities is whether they want to allocate their resources based on the real needs and well-being of their citizens, as well as the need to make PHC a priority in their strategic plans.

The key task of the Government of Ukraine, together with the decentralization reform, is to implement a thorough reform of health care financing, with which Ukraine is two decades behind. In the context of decentralization, public health functions in their current sense should not be transferred to the local level. Instead, decentralization should be used to create new functions and institutions in the healthcare provision and finance system.

References:

- 1. On State Financial Guarantees of Public Health Services. Law of Ukraine No. 2168-VIII of 19.10.2017.
- 2. International Conference on Primary Health Care, Alma-Ata, USSR, 6-12 September 1978, financed by the World Health Organization (WHO) in collaboration with the United Nations Children's Fund.
- 3. Resolution of the Cabinet of Ministers of Ukraine of December 27, 2017 No. 1101 "On Establishment of the National Health Service of Ukraine"