

CURRENT PROBLEMS OF HEALTH FINANCING IN UKRAINE

Veretelnyk O.A.

Analysis of indicators of economic functioning of Ukraine in recent years, based on data from the Ministry of Finance and the State Committee of Statistics, indicates that the country's economy inherent in the state budget deficit, and it influences on the amount of expenditure for funding of industry's sectors. For any industry underfunding is a major factor of economic recession and slowdown of its development.

Probably everyone would agree that one of the primary industries that require of financing is health industry, because it increases the level of public health and reproduction of human resources in the economy. However, among the expenditures on the development of the health sector has a low level of priority.

The share of expenditure in 2015 is as follows: 10.44 % of funds allocated from the consolidated budget for health development (for comparison: in 2012 – 2.88 %, in 2013 – 12.17 %, in 2014 – 10.92 %), while about 17.3 % of the funds spent on national features, 25.94 % – social protection and social security, 8.27 % – for economic activity, 8.08 % – public order, security and judicial power, 16.8 % – for education, 7.65 % – for defense, less than 1 % – the protection of the environment, and the spiritual and physical development and for utilities around 2.4 %.

For comparison, according to the World Health Organization, the world's average gross rate share of health spending is about 6.4 %, and in Europe – 7.1 %, and the recommended amount of expenditure on the health care sector should not be lower than 5 %.

Since the basic condition for sustainable and effective functioning of the health system is the adequacy of funding, and in Ukraine there is a problem of significant underfunding the main research objective is search for ways to improve or reform of Ukraine's existing health financing system.

Materials and methods: the study of this issue were provided with bibliography, mathematical and statistical methods.

The results: The current health care system in Ukraine is based on public funding through tax surpluses of public enterprises, but because of the budget deficit and frequent economic crises main issue is how to provide a stable funding base, which will contribute to focusing on protecting the health of the individual and this, experts say you have two ways: either through funding, either through social insurance.

Analyzing the options proposed by scientists, improvement of healthcare system in Ukraine can be identified shortcomings.

The first option – the healthcare system with government funding. The foundation of this healthcare system should be robust and resistant to external influences and internal vibrations of the economy (e.g. UK) Unfortunately, the economic situation in our country in recent years greatly destabilized by various factors, including political, social and economic. In addition, this healthcare system has disadvantages, namely:

– health care system, the only source of funding which the government funding is

a monopolized system. The lack of competition in the health care leads to poor quality of health services.

- the vast majority ownership in this health care system is public property. This prevalence is a disadvantage because it leads to limitation to the free market of healthcare services. The concentration of ownership in the public sphere leads to the fact that the level of funding and direction of the health care system depends entirely on the political priorities that prevail in either a functioning economy.

The second option – a health care system based on social insurance. The scientists described a large number of positive features inherent in the health care insurance system.

However, the implementation of insurance healthcare system due to the high cost of the formation of the insurance fund at the beginning of its formation. Because the rate of growth of money in insurance funds lower than the demand for medical services. Furthermore, feature of the functioning of our state are:

- Firstly, the fact that much of the population – a population with low income, and given the high level of contributions to the insurance fund, it can lead to further stress the family budget and, consequently, the introduction of this system may stumble on its rejection on the part of the population;
- Secondly, the large number of unemployed who are not registered at employment centers and do not have access to health services;
- Thirdly, when it comes to health insurance, you need to understand that a market system and the main purpose of the subjects there is profit, but scientists proved the inverse relationship between the level of incomes and the incidence and indicates that insurance companies are not profitable to work in the insurance market of Ukraine.

Thus improving or reforming the healthcare system in Ukraine cannot be held only implementing the reforms that have been implemented in other countries are not taking into account the peculiarities of the healthcare system and economy of Ukraine as a whole, to identify significant factors and of the functioning of our state necessary for a complete and deep economic analysis to determine the optimum ratio of the cost of its reform and health, social and economic benefits to be received. However, given that the state alone is unable to sufficiently finance health care, it is appropriate to draw attention to reforming the existing system and accelerating its transformation into insurance.