

**INSURANCE MEDICINE AND MEDICAL INSURANCE  
IN THE SYSTEM OF SOCIAL PROTECTION  
OF THE POPULATION**

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**Abstract.** *The purpose* of the paper is devoted to the study of the growth of the protection problem health in modern the world and value medical insurance for personal insurance in as a whole Development given species insurance will raise the third target UN sustainable development – health and well-being. *Methodology* of the popularizing the development medical insurance you can achieve more conscious nations which will be interested in concern by your health. Also, health insurance, as a component of personal insurance, is closely related to the level of social responsibility of the state, and is a tool that transfers a certain burden of social security from the state to private individuals or individual citizens. *Results* of the essence and main forms and types of medical insurance are considered. An analysis of the current state of development of medical insurance in Ukraine was carried out and its place in the social protection system was determined. An assessment of the current state of insurance medicine in Ukraine was carried out. *Practical implications.* The possibilities of improving the process of reforming the insurance system in the sphere of health care of Ukraine are substantiated. The problems are summarized and the prospects for the development of medical insurance in Ukraine are outlined. It is substantiated that the purpose of medical insurance is to improve the quality and expand the scope of medical care by significantly increasing allocations for health care; decentralization of the health care fund management system; material interest of medical workers in the final results; economic interest of enterprises in preserving the health of workers; economic interest of each person in preserving

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his own health. *Value/originality*. In general, the main ones changes, provided for reform, namely: implementation state guaranteed package medical assistance; formation the only one national customer of medical services; creation of new opportunities for the exercise of powers by local authorities the sphere of health care; autonomization of medical care providers; introduction of the principle of "money are walking by the patient"; development modern management system medical information. It has been proven that the development of health insurance is a guarantee of achieving high social standards and is a platform for implementing reforms in the health care system.

### 1. Introduction

Human health is the most important resource, the quality of which depends on it level working capacity and business activity Ago with scientific and technical progress and growth in the level of welfare of the population, there is a need to medical insurance citizens Especially role medical insurance with grows every year in Ukraine, where since 2017, after implementation medical reforms, is conducted restructuring and automation of medicine and in accordance is growing level trust population to medical activities, what leads to magnification social responsibility and need in medical insurance.

The transition to health insurance in modern Ukraine is a complex and multidimensional problem, but this, according to industry leaders and leading scientists, will make it possible to lay new foundations for the health care economy. The introduction of health insurance should initiate health care reform as a purposeful, dynamic and sustainable process that will contribute to systemic structural changes to meet the needs of the population in medical care. To insure means to protect against something unwanted, unpleasant, to guarantee safety. The insurance process itself is a way of protecting human interests in a market economy. Insurance medicine is a complex and extremely mobile system of commodity-market relations in the field of health care. The product is a paid, competitive, guaranteed, high-quality and adequate medical service. Its buyer can be the state, a group of people (production collectives, establishments and institutions of various forms of ownership), natural persons who are in conditions of a certain risk.

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The expansion of the paid services sector, the specifics of market relations in the country's economy contribute to the development of health insurance. In the broadest sense of the word, insurance medicine is a system of public health care, the economic basis of which is financing from special extrabudgetary funds.

State health care is based on depersonalization and addressless accumulation of funds in the general budget. The development of medical insurance presupposes the targeted formation of health care funds and their concentration mainly at the level of the district and oblast links of the medical service system. At the same time, the boundaries of local self-government are expanding and the mobility of health care management is increasing, while the state retains only the functions of legal and financial control of insurance activities. The main features of health insurance in the world: affiliation in most countries of the world to the health system, which complements the state one; providing everyone involved in a certain health insurance system with the same amount and quality of necessary medical care; freedom of choice for the patient; providing medical services of the highest quality; high profitability of invested capital (abroad); introduction of new forms of management; targeting a highly educated population with sufficient medical culture; the interest of medical workers in the implementation of the health insurance system in order to improve their own social condition; orientation of medical workers on sociability, initiative, diligence, politeness; according to the insurance agreement, provision of medical care to the insured under any circumstances in the event of a health risk; based on a specific need, which requires certain reserves and involves a higher cost.

### **2. The main trends in the medical provision of citizens**

Medical insurance in Ukraine has not received proper development. Researchers believe that under modern conditions, the development of health insurance must be put on a scientific basis. With this in mind, we note that health insurance should be taken care of not only by specialists in the field of health care, but also by economists. Medical insurance is a component of the country's insurance system, a branch of economic, currency, and redistributive relations related to the formation and use of the insurance fund. From an economic point of view, medical insurance is a system of measures

to create a special monetary fund from which expenses for medical services, maintenance of patients in medical and preventive institutions and other material losses resulting from deterioration of health, reduction of working capacity and violation of social human activity. Naturally, the transition to health insurance gives rise to a significant number of problems, the solution of which becomes extremely urgent. So, in particular, an important problem is the development of methods of technical and economic substantiation of the pricing of relevant medical services. Such methods are necessary, on the one hand, for medical insurance companies to forecast their development in order to ensure the profitability of their own activities, and on the other hand, for health care management bodies and the State Insurance Supervisory Authority of Ukraine to develop adequate measures to regulate the insurance medical services market. For the effective implementation of the mechanism of social protection of the population in Ukraine necessary to determine strategic purposes and optimal Indicators health population, to ensure coordination of interaction of all structures operating in to the health care system, to develop strategic and current plans for the development of health care health and systems of its financial support, to evaluate the economic and social effectiveness of the network of medical and preventive care institutions and financial institutions institutes. One of the effective types of social protection of the population is compulsory medical care insurance. Mandatory medical insurance – installed legislation system guarantees granting medical assistance to citizens. Mandatory medical insurance – form medical insurance, what is directed on implementation Constitutional rights insured persons on receiving free of charge medical services in order which is defined.

Mainly task mandatory social medical insurance is: levels rights citizens on receiving medical help for preservation health population for free basis; due financial software granting medical services and help the population state in improvement equal health of the nation; creation and implementation competitive (with using the newest medical equipment) market medical service and granting highly effective medical services. Insurance medicine is a rather broad concept that covers the training of medical personnel, the provision of medical assistance, financing of scientific activities, as well as costs for the development of the material and technical base of medical institutions. The American Academy of Insurance

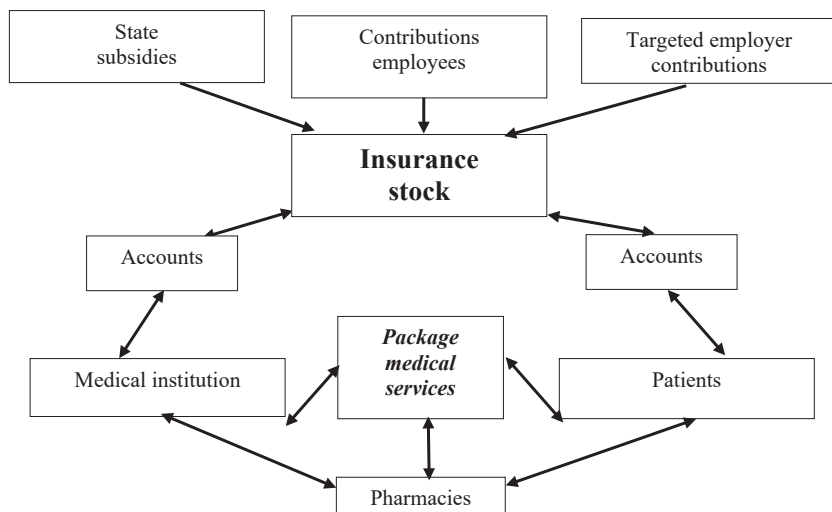
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Medicine interprets insurance medicine as a field of medical specialization, within which a doctor performs risk assessment regarding the life, health and disability of individuals in the context of health insurance. Insurance medicine provides protection of the interests of the population in the field of health care thanks to medical insurance, which consists in providing guarantees for the payment of medical care in the event of an insured event at the expense of funds accumulated by the insurer. Ukrainian market medical insurance today serve big joint-stock public insurance companies. They are not interested in serving the residents state with small solvency (it basic interest population of Ukraine) and with significant insurance risks. Such trends must be changed because they limit wide access to medical insurance, and such significant circle policyholders formulates mistrust to medical reforms.

Today, health insurance, as one of the types of insurance activity, includes in himself the following objects: state and state subsidies; patients, employees and more precisely insured persons and their contributions; employers (state and commercial enterprises and institutions) and their targeted contributions; insurance fund with the accumulated amount funds necessary for payment treatment insured persons; therapeutic institutions with their a package medical services; pharmacies which provide therapeutic institutions and patients medicine, necessary drugs and equipment.

Scheme interaction with the above objects are shown in Figure 1.

In the twenties years previous century was proposed state doctrine protection health. Uniqueness her was in that what financing was carried out with state funds with a constitutional guarantee of free provision medical services The next step in the development of medicine was the creation, based on state licenses, commercial (private) healthcare systems that demanded payment for the provided medical service. As in most countries of the world, so in Ukraine exist today competitive the above two systems. Insurance medicine (or medical insurance) arose in Germany in the nineteenth century Himself process (mechanisms) there were insurances organized without intervention state bodies Creation professional unions on large enterprises in era industrialization, (in that time chancellor of Germany was Bismarck), contributed to organize "Medical funds", which became basis collective solidarity insurance with purpose granting quality medical services. In Ukraine mandatory medical



**Figure 1. Characteristics of the interaction of medical insurance subjects**

insurance, as state mechanism and as the doctrine of the new medicine began to be developed seventeen years later.

Various ideas have been proposed in recent years regarding implementation health insurance, insurance fund and reforms in the health care system. Example: developments new normative and legal bases; finalization strings laws and codes; creation concepts insurance fund (or fund medical insurance); filling the insurance fund at the expense of physical and legal contributions individuals and from the state at the expense of social insurance and temporary loss funds working capacity; involvement or not involvement private insurance companies to work in insurance industry medicine; using the experience of voluntary insurance in Ukrainian realities; using foreign experience. Part with above listed ideas and questions today implemented are discussed or implemented in new regulations for adoption the law "About Medical Insurance". The medical industry in Ukraine today does not have the opportunity to enjoy the advantages of the market economy. Health insurance is at the stage of development. The state budget, from which medicine is currently financed,

Table 1

**Comparison table of mandatory and voluntary health insurance**

<b>Mandatory medical insurance</b>	<b>Voluntary medical insurance</b>
Non-commercial	Commercial
One of the types of social insurance	One of the types of personal insurance
It is carried out by state insurance organizations or organizations controlled by the state	It is carried out by insurance organizations of various forms of ownership
Insurance rules are determined by the state	Insurance rules are determined by insurance organizations
Policyholders are the state and the working population	Policyholders are legal entities and individuals
Sources of financing are contributions from the state budget, employers and the working population	Sources of financing – personal income of citizens, profit of employers (legal entities)
The program (guaranteed minimum medical services) is approved by authorities at various levels	The program is determined by the contract between the insurer and the insured
Insurance tariffs are established according to a unified methodology approved by the state	Insurance tariffs are established in accordance with the insurance contract
The quality control system is established by state bodies	The quality control system is correct
Profits can be used not only for the main activity	Profits may not be used for any commercial or non-commercial activity

is unable to cover even half of its needs. The health insurance system today is not a clear explanation for many people, that is, insurance is a guarantee in the event of an insured event of reimbursement of financial costs for medical care due to the early accumulation of funds. This is due to the need to provide citizens with affordable, high-quality and diverse medical services. It can become an additional source of financing health care measures. But today, medical insurance should make it possible to attract additional financial resources at the expense of various sources for the organization of medical assistance to the population by providing medical services and guarantees of various opportunities to receive them in full for the entire population.

### 3. Analysis the current state of financing the system protection health in Ukraine

For many years, the model functioned in Ukraine financing systems protection health, which predicted direction budgetary funds mainly on maintenance medical infrastructure. In that time, citizens were limited in access to granting quality medical services, and health care facilities were not fully equipped with modern diagnostic and therapeutic equipment in general, the main ones problems in financing health care systems, which need to be solved, there are: financial insecurity of citizens, low quality and efficiency of medical provision services, ineffective spending of budget funds. Due to existing systemic problems in the financing of institutions of health care.

The Ministry of Finance of Ukraine initiated a systemic reform of the industry, in particular the creation and introduction new model funding, which provides for: clear and transparent guarantees state of volume free of charge medical assistance; better financial protection citizens in case diseases, effective and fair distribution public funds and reduction of informal payments; creation incentives to improvement quality granting medical help the population state and communal institutions protection

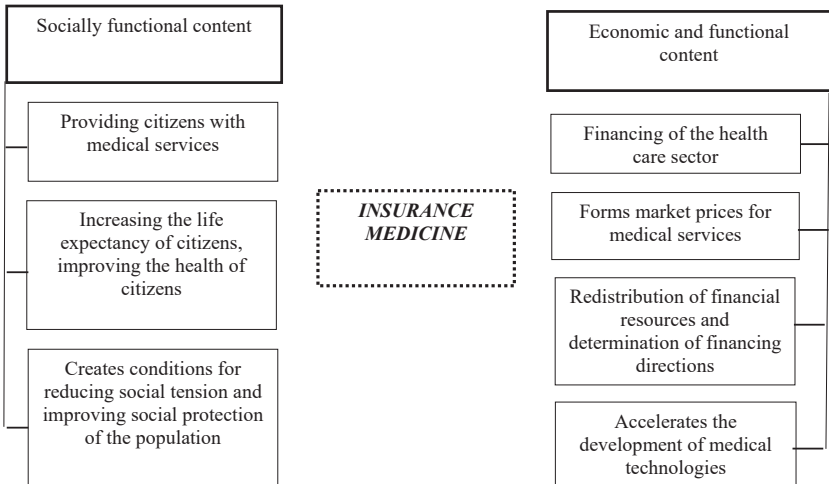


Figure 2. Socio-economic dimension of insurance medicine



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health. In order to achieve the goal, the Cabinet of Ministers of Ukraine adopted the concept of financing reform of the health care system, which contains the main stages and a step-by-step plan for the implementation of the reform. Mainly the task of the reform is the transition from itemized financing of medical services to financing by the results activities, what will contribute as increase efficiency activity herself systems, so and improvement of approaches to models her financing. To number basic changes, provided for reform belong to:

- implementation state guaranteed package medical assistance;
- formation the only one national customer of medical services;
- creation of new opportunities for local authorities to exercise powers in the sphere of health care;
- autonomy of medical care providers; introduction of the principle of "money are walking by the patient";
- development modern management system medical information.

19.10.2017 The Verkhovna Rada of Ukraine adopted the Law of Ukraine "On State Financial Guarantees of medical care of the population", according to which the state with the funds of the State Budget of Ukraine boundaries programs medical guarantees provides financing necessary medical services and medical means Program medical guarantees – it package medical services, guaranteed the state, determined, based on the priorities of health care in Ukraine, within the scope of state funding opportunities, and includes services emergency, primary, outpatient, hospital and palliative care and rehabilitation, medical assistance children, which not fulfilled 18 years, and medical accompaniment pregnancy and gave birth Use he can each one citizen of Ukraine, a also persons equated to citizenship.

The amount of funds directed to the implementation of the medical guarantee program is determined by the Law of Ukraine on the State Budget of Ukraine in the amount of at least 5% of the gross domestic product of Ukraine. Expenditures for the medical guarantee program are protected items of budget expenditures. However, for all years independence expenses on medicine rarely exceeded 3% At preparation last year's state budget minister of finance Sergii Marchenko noted what magnification financing protection health to 5% may happen in 2023 year because of gradual increase this one dynamics from laid in 2021 year 4.2% GDP.

To implement state policy in the field of state financial guarantees of medical care population under the program of medical guarantees by Resolution of the Cabinet of Ministers the National Service was formed Health of Ukraine (NSZU), which is the customer of medical services of medicines under the medical program guarantees, and concludes agreements on medical care with health care institutions of all forms of ownership and physical persons – entrepreneurs, which have license on proceedings medical practice.

An important aspect of the medical reform is the reorganization of medical institutions into communal non-commercial ones enterprises, the so-called autonomization. Such institutions can enter into contracts with NSZU and receive direct budgetary financing by services with medical service, and not medical subvention from State budget Contracts for medical care are concluded in the amounts provided for in the security budget health for the corresponding budget period based on the cost and volume of medical services, whose customer is the state or local self-government bodies. The cost of such a service is calculated from taking into account the structure of costs necessary for their provision. In this way, NSZU implemented the main principle medical reforms "money are going by patient", paying cost realistically provided medical services The principle "money follows the patient" in practice means that the patient turns to a specific doctor for help, and the state pays for the specific package of medical services provided to patients, not the medical institution. Such a mechanism gradually began to replace ineffective financing payment bed-places.

For the first time, Ukrainians were able to freely choose a doctor by signing a declaration with them, and communal medical ones institutions where family doctors work switched to paying for services under contracts with the National Health Service. Medical facilities which signed a contract with the National Health Service, became financially independent, can manage their budget independently, no limited by the tariff grid or staffing schedule. This made it possible for heads of institutions to determine directions allocating funds to current needs within the budget, including revising medical wages employees.

On April 1, 2020, the first Medical Guarantee Program in Ukraine was launched, which includes primary, specialized outpatient, hospital, emergency palliative and rehabilitation, and reimbursement medicines.

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Agreements with the National Health Service for the provision of medical services under the Medical Guarantee Program for this period was signed by 90% of the institutions that submitted their proposals to the NSHU. Thus, almost all are communal medical institutions (district, city, regional hospitals) of the country entered the reform and began to receive funds for contract with NSHU. In 2020, NSHU concluded 3,862 contracts with 1,675 specialized and emergency medical institutions assistance and paid 56.2 billion hryvnias. According to the priority service packages of health care institutions provided assistance to almost 29,000 children under the " neonatology " package; 58,000 patients received help at strokes; 16 thousand patients with myocardial infarction; 230,000 patients received patients at the outpatient stage from purpose early diagnosis oncological diseases; in within the framework maternity package provided services 187 thousand women For these priority services in 2020 year NSHU paid 4.3 billion hryvnias.

In connection with implementation II medical reform stage, in accordance to Law of Ukraine "About state guarantee of medical care of the population" as amended and the Budget Code of Ukraine from April 1, 2020, provision of medical subvention to local budgets is not foreseen. Corresponding expenses are carried out at the expense funds of KPKVK 2308060 "Implementation of the program of state guarantees of medical care of the population" and KPKVK 2311500 "Subsidy from the state budget to local budgets for support of certain institutions and events in system protection health".

by law of Ukraine "About the state budget of Ukraine for 2021 year" was approved budgetary program "Realization programs guarantees medical service population", in volumes 72.0 billion hryvnias, actually UAH 89.5 billion was allocated. During the year, taking into account changes to the State budget, the amount of budget programs increased by UAH 20.2 billion. and amounted to UAH 92.2 billion. Reduction of expenses by areas of use budget funds "Payment of medical services of primary medical care" and "Reimbursement of the cost of medicines" took place with the aim of increasing the amount of subvention from the state budget to local budgets on implementation support individual institutions and measures in system protection health. Realization programs state guarantees medical service population in 2021 year conditioned the need

in funds for provision of payment for services related to the provision of medical assistance to patients with acute respiratory disease caused by *COVID-19* coronavirus *SARS-CoV-2* (Table 2).

The state budget of Ukraine in 2021 was implemented in difficult macroeconomic conditions, however thanks to the balanced and consistent budget policy of the Government, it was possible to accumulate budget revenues, necessary for financing the medical industry, including expenditures aimed at supporting the population and overcoming the consequences of the pandemic, as well as a number of other expenses that contribute to the development of the economy and well-being citizens. In 2020, cash expenditures of the State Budget for health care totaled UAH 124.9 billion. which is 9.7% of the total amount of state budget expenditures and 86.4 billion hryvnias (or 223%) more than in in 2020. The largest share in the structure of expenditures on health care was made up of expenditures on other activities (90%) and hospitals and sanatoriums institutions (6%).

Expenses on the other activity in sphere protection health have grown on 84, 2 billion hryvnias, and it almost in four times more comparatively from 2020 a year Together with those expenses on hospitals and health resorts institutions decreased on 456.7 million hryvnias, or on 6%. That is, we see influence pandemic and medical reforms on volumes expenses state budget, so as to expenses on the other activity in sphere protection health are related emergency and urgent care centers that were overcrowded throughout 2021 with patients with *COVID-19*.

IN 2021 r planned volume expenses State budget of Ukraine on protection health increased on 30.3%, comparatively from previous year, and composed 173.6 billion UAH That's it growth conditioned change mechanism granting medical services.

Due financing systems protection health in Ukraine for software granting quality medical services for all citizens, raising the wages of medical workers is one of the main ones priorities of the State Budget for 2022. UAH 192.5 billion is allocated in the budget for the development of the industry including UAH 157.5 billion for the implementation of the Medical Guarantee Program. The budget also provides for a number of expenditure on health care, in particular, on the provision and development of transplantation of organs and others in Ukraine anatomical materials

Table 2

**Analysis of implementation of the budget program  
"Implementation of the state medical guarantee program  
service population" in 2021 year, billion hryvnias**

<b>Directions using budgetary funds</b>	<b>plan</b>	<b>plan with changes</b>	<b>fact</b>	<b>deviation (3-2), +/-</b>	<b>deviation (4-3), +/-</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>5</b>
In total by budgetary program, in including	72.0	92.2	89.5	+20.2	-2.7
Payment medical services emergency medical assistance	4.7	5.9	5.9	+1.2	-
Payment medical services primary medical assistance	19.1	18.2	18.1	-0.9	-0.1
Payment medical services secondary (specialized), tertiary (highly specialized), palliative medical help medical rehabilitation, medical help to children to 16 years, medical assistance in connection with pregnancy and childbirth	44.2	46.3 v	45.1	+2.1	-1.2
Payment medical services secondary (specialized), medical help by program medical guarantees in Poltava region, what are provided in within the framework execution of the pilot of the project	0.35	0.35	0.35	0.0	0.0
Payment medical services, connected with providing medical help patients with sharp respiratory disease caused by <i>COVID-19</i> coronavirus <i>SARS-CoV-2</i>	-	15.1	15.1	+15.1	0.0
Payment medical services, connected with providing medical help patients with acute respiratory disease <i>COVID-19</i> , caused by coronavirus <i>SARS-CoV-2</i> , at the expense of funds every day fund	-	5.3	3.9	+5.3	-1.4
Reimbursement cost medical means	3.1	1.0	0.9	-2.1	-0.1
Payment expenses, connected with technical provision granting medical services and discharge electronic recipes and messages means mobile connection	0.4	0.3	0.01	-0.1	-0.29
Reserve funds	0.5	0.0	0.0	-0.5	0.0

and treatment citizens of Ukraine by the border (1.5 billion hryvnias), on acquisition expensive medical equipment to create a capable network of institutions Health Care (2.7 billion hryvnias).

When forming the volume of budget expenditures for health care, the market salary is taken into account medical workers. In 2022, the basic salary level for doctors will be UAH 22,500, for middle medical employees 13.5 thousand UAH Among innovations provided for payments employees institutions health care in connection with their move to a new place of work or, if necessary, retraining during formation capable network of hospitals in hospital districts.

The State Budget 2022 provided for:

- UAH 3.1 billion for the centralized purchase of equipment, in particular for the improvement of the material and technical base of hospitals, bacteriological and physicochemical laboratories of the Centers for Disease Control and Prevention, creation of expert-level laboratories for conducting research used in transplantation;

- UAH 2.6 billion for the purchase of vaccines to protect the population from COVID-19;

- UAH 789.5 million for the continuation of the pilot project on transplants in Ukraine (288.5 million more than in the current year's budget);

- UAH 300 million for the development of the biocluster (3 times more than was allocated this year for the launch of this project, with a potential expansion of another UAH 735 million).

The provision of medical and social services to insured persons and victims of industrial accidents and occupational diseases during the first half of 2022 was carried out in accordance with the requirements of the Law of Ukraine "On Mandatory State Social Insurance". According to the reporting data of the working bodies of the executive directorate of the Fund, during the first half of 2022, 2,219 insured persons and their family members, including 2 internally displaced persons, received treatment in the rehabilitation departments of sanatorium-resort institutions after suffering illnesses. 1,316 victims of industrial accidents and occupational diseases were treated and provided with medical rehabilitation in health care institutions, including 30 victims – internally displaced persons. As reported in the Cabinet of Ministers of Ukraine, 175.7 billion hryvnias have been allocated in the budget for health care in 2023. Exactly 1 April

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2020 year started Program medical guarantees (PMG). As are reported in NSHU, condition on 01.04.21 this one program signed 1 524 institutions specialized medical help WITH them 50 private It 90% institutions, which submitted your offers NSZU More 138 projects contracts expect on signature. Essence this one programs in ago, what state undertakes guarantee to the patient certain spectrum medical services free of charge IN as a result almost all communal medical institutions (district, city, regional hospitals) of the country have entered the reform and will receive funds under the contract with the NSZU. In general projects contracts received 1 662 providers specialized medical help Most contracts signed in Kharkivska region – 132, Dnipropetrovsk – 110, Lvivska – 102.

Such way financing protection health of Ukraine needs further reforms, implementation new one's technologies and transition to European system treatment.

The analysis of the financial provision of health care was carried out in recent years has shown that the industry has not received the necessary government funding that it does is in dire need, especially in the context of the COVID-19 pandemic. During the period of reforming the health care system the country's government does not pay enough attention to the growth of the priority of the medical sector, nor has any been done steps to encourage the population to take insurance. Despite the fact that the insurance market in Ukraine has the necessary experience and can become a participant in the creation of an effective systems protection health.

An effective mechanism for financing health care is a public-private partnership, the essence which boils down to the fact that public institutions and private partners pool their resources for implementation certain of the project with appropriate distribution risks, responsibility and rewards (reimbursements) between them, for mutually beneficial cooperation. Public-private partnership in Ukraine in recent years is one of the largest promising tools investment attraction.

In the near future, Ukraine should pay attention to the possibility of approaching a functional one the structure of general budget expenditures to the average level of European countries, increasing the specific weight health care costs. It is also important to work towards the development of insurance medicine, because, as world experience shows that this format of financial relations in medicine is almost the most effective in reality

today. At the same time, access to medical services in Ukraine is currently decreasing. This one problem especially sharp in rural areas: not enough software medical institutions with the necessary medical equipment, medicines and transport, as well as the lack of personnel makes it impossible to provide quality medical services, timely and qualified medical assistance. Local state administrations must take on the role of financing and quality control of purchased equipment and equipment and the process of equipping medical facilities. Delay in decision problems of poor quality of medical care in rural areas and the decrease in the number of medical institutions and pharmacies led to a worsening of the situation health rural population.

In order to avoid risk deterioration quality medical service population, necessary to develop the main one's principles and practical mechanisms involvement of medical workers in rural areas and to approve the State program, which will allow to introduce stimulation medical employees at the national level. Recruitment in rural areas is possible by providing free housing, transport, Internet and allowances to main salary pay Such incentives are regulated by law about improvement availability and quality medical service in rural areas. It was also important to train medical personnel. In addition to preparation young specialists and fulfillment of state orders in higher education institutions institutions, great attention should be paid to the retraining of medical workers from taking into account features new functioning systems protection health. Another tool for stimulating the development of medical insurance in rural area may be creation "insurance groups" for rural residents Obviously, they grouped together by separate contracts insurance. So, risks for insurance companies are decreasing and so and cost such policy for each a person. Implementation of measures proposed by the reform requires significant resources. Ago necessarily go over to new sample interaction between participants voluntary medical help. It provides for state reimbursement of part of the insurance premium for the poor It happens as follows: an insurance company that wants to take participation in voluntary health insurance, applies to the National insurance services, which carries out mandatory checks and includes insurance the company to the list of companies with which such insurance can be concluded. Insured persons apply to social security authorities to participate in programs voluntary



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medical insurance. IN own queue these bodies assess the solvency of insured persons and their incomes by submitting a request to territorial one's bodies State fiscal services.

It is worth noting that stricter requirements for insurance companies, which carry out voluntary medical insurance, they can bring to stabilization insurance market by withdrawal certain insurers, which not will be able to satisfy new ones requirements by impossibility software appropriate level capitalization. Criteria selection insurers – participants programs voluntary medical insurance determine the insurer as a reliable state partner programs.

An important task of the state is to raise awareness in order to convince citizens who do not support the reforms or even actively oppose them any reasons about potential benefits from their implementation. Opposition the public to innovations may be as a result balanced analysis offered changes, and also as a result emotional, purely intuitive negative attitude towards brand new attitude.

Medical insurance is divided into compulsory medical insurance (OMS) and voluntary medical insurance (VMI). Mandatory health insurance is implemented through programs of mandatory health care. It has a special meaning because it is comprehensive, universal. This is extremely important due to the fact that any person lives in society, and as a living being, has the right to receive assistance in case of loss of health, regardless of whether he can pay for this assistance. But in this way, society cannot provide assistance in the case of a disease, the treatment of which requires too much expense; provision of highly comfortable treatment conditions, etc. That is why the OMS system is supplemented by the Voluntary Health Insurance (VHI) system. Popularity The insurance premium in Ukraine is growing year by year, which is evidenced by the growth of both the number of concluded contracts and the amount of insurance payments. Currently, about 30 insurance companies operate on the insurance market, the average payout rate is more than 60%. Insurance companies with different capabilities, experience and authority. Each insurance company strives to bring something unique to the insurance business, which will distinguish it favorably from its competitors.

#### **4. Directions of reforming the health insurance system**

There are too many expectations associated with the introduction of health insurance in our country, so the draft of this law causes a lot of controversy among specialists and the medical community. Despite some obvious advantages and disadvantages of the mentioned project, it can be said that the introduction of health insurance is unnecessarily delayed. Currently, the development of the health care system in Ukraine is taking place in the conditions of internal contradictions of the socio-economic development of the state. The industry suffers from inconsistent socio-economic policies, unequal conditions for conducting medical practice by various business entities, and an unfavorable investment climate in the field of health care. Ukraine is currently at the stage of implementing mandatory state social health insurance. According to the conducted economic calculations, the OMS will provide 7.54 billion hryvnias in addition to the budget part of the financing. per year Despite its notable advantages, its introduction in Ukraine is being hampered by the lack of a uniform approach to the draft law on social security. For that in order to to provide effective implementation proposed changes, necessary to spend communication campaign of introduction programs state help in voluntary medical insurance. He must have a systematized media plan, certain criteria according to which it is possible to evaluate his efficiency, and corresponding channels communication in accordance to target groups. All structural elements of the campaign (specific means of communication) should have common message, be recognizable and equally documented. The informational and educational campaign should consist of a set of separate elements, measures (messages), which are carried out in a certain sequences, complementing realization campaign.

System medical insurance is being reformed step by step (Figure 3).

In our opinion, as a result of such efforts to introduce state programs help in voluntary medical insurance citizens should be informed about mechanism such help and their rights on receiving state compensation; Understand benefits participation in state program; develop trust in insurance companies with which it can be concluded voluntary health insurance, and be sure of their ability to pay; To realize what are they take direct participation in program. Today, it is very important that Ukraine, when introducing insurance medicine, a new system of providing medical

<p style="text-align: center;"><b>AND. Preparatory stage</b></p> <p>Reform (autonomy) institutions protection health in within the framework medical reforms; development licensed requirements to insurance companies. Definition of categories of persons who are entitled to state benefits compensation Specification content standard medical politicians Information and educational campaign on voluntary health insurance</p>
<p style="text-align: center;"><b>II. Normative stage</b></p> <p>Adoption of the necessary approving regulatory acts basics state support in voluntary medical insurance</p>
<p style="text-align: center;"><b>III. Stage implementation</b></p> <p>Licensing insurance companies, which take participation in program state support, and creation corresponding register. Preparation of the register of persons entitled to state compensation parts insurance awards Calculation cost standard medical policy Approval of the subvention for the implementation of the program in the State budget of Ukraine and her distribution. Adoption of the necessary approving regulatory acts basis state support voluntary medical insurance.</p>
<p style="text-align: center;"><b>IV. The final stage</b></p> <p>Introduction state support voluntary medical insurance, granting compensation parts insurance awards</p>

**Figure 3. The main stages of implementation of state support in voluntary medical insurance**

care, introduction of paid medicine and a system of payment for services, should adopt the positive world experience and take into account the mistakes that other countries have gone through.

Thus, the restructuring of the health care economy is needed and it should begin with strengthening the financial basis of the industry, with a change in the general financing scheme, which involves a mandatory transition from the budget system of financing to a mixed budget and insurance system financed with the active participation of enterprises. institutions, organizations of various forms of ownership with elements of voluntary health insurance of the population. Thus, the state policy for the development of medical insurance as part of the general social and economic policy of Ukraine should determine the main principles, directions and forms of economic influence in the sphere of social protection

of the population. Health insurance must be supported by a regulatory framework; improvement of tax policy and state supervision; increasing the financial reliability of insurers, the insurance culture of the population; training and retraining of personnel. So, the results of the study prove that the implemented stages of the medical reform transformed the financial mechanism of the state management of the health care system, introducing the financing of medical institutions according to the principle "money follows the patient". It is assumed that the reformed health care system will increase the efficiency of the use and financing of budget funds. However, it is not possible to provide high-quality medical care under conditions of limited budgetary resources. For this purpose, it is necessary to attract additional financial resources. This concerns, first of all, the provision of medical services to socially vulnerable sections of the population, the treatment of serious diseases, the treatment of which is carried out using innovative technologies and modern medical equipment. Many experts believe that it is possible to overcome the crisis in domestic medicine by implementing multi-channel financing of health care, in particular, at the expense of mandatory state medical insurance.

### **5. Findings**

The introduction of the system of insurance medicine in Ukraine is extremely important and necessary. It is not only a component of social protection of the population of every developed country, but is also considered as an alternative model of health care organization. Mandatory health insurance makes it possible to use the funds intended for health care more rationally, to increase the quality of these services and the level of provision of them to the population. An analysis of health care financing in recent years has shown that the industry has not received the necessary government funding it so desperately needs, especially in the context of the COVID-19 pandemic. During the period of reforming the health care system, the country's government does not pay enough attention to increasing the priority of the medical sector, and no steps have been taken to encourage the population to take insurance. Despite the fact that the insurance market in Ukraine has the necessary experience and can become a participant in the creation of an effective health care system. In addition, in many developed countries of the world, voluntary health insurance is

an important mechanism for financing health care expenditures. Voluntary health insurance makes it possible to obtain additional health care through the formation of various additional programs that are not included in the state-guaranteed mandatory health insurance program. In Ukraine, this type of insurance is almost undeveloped, and, accordingly, its share in the structure of health care costs is negligible.

An effective mechanism for health care financing is a public- private partnership, the essence of which boils down to the fact that public institutions and private partners combine their resources for the implementation of a certain project with the appropriate distribution of risks, responsibilities and rewards (reimbursements) between them, for a mutually beneficial cooperation. In recent years, public-private partnership in Ukraine has been one of the most promising tools for attracting investments.

In the near future, Ukraine should pay attention to the possibility of bringing the functional structure of general budget expenditures closer to the average level of European countries by increasing the specific weight of health care expenditures. It is also important to work towards the development of insurance medicine, because, as world experience shows, this format of financial relations in medicine is almost the most effective in today's realities.

### **6. Conclusions**

Ensuring the economic and social security of the middle and low-income population, as well as guaranteeing the rights of every citizen to quality medical care, is one of the key principles of insurance medicine. And it is on these principles that the new health care system in Ukraine, based on mandatory state insurance, should be built.

Currently, a state system of financing the health care sector is functioning in Ukraine, which should guarantee citizens free access to high-quality medical care, but, unfortunately, this is not the case in practice. First of all, this is related to the shortage of financial resources and an ineffective system of redistribution of funds. The field of voluntary health insurance is developing at a fairly fast pace, but voluntary health insurance is not a solution to this problem, since only wealthy people can afford insurance policies at the moment. These relatively successful reforms were brutally interrupted by Russia's unprovoked full-scale aggression on February 24,

2022. In the period from February 24 to September 3, the WHO surveillance system for attacks on medical facilities documented 503 attacks on the medical care system, as a result of which 129 people were injured and 100 died. These attacks include attacks on health facilities (425 attacks), supply systems (144 attacks), transport (72 attacks), personnel (60 attacks), patients (24 attacks) and warehouses (12 attacks). However, even these large numbers may turn out to be too optimistic, since it is currently impossible to accurately assess the situation in the occupied territories. The demand for medical services has changed significantly in different regions of Ukraine, given that a third of Ukrainians were forced to leave their homes with the onset of full-scale war, the largest displacement crisis in the world. 7 million Ukrainians have become internally displaced persons (IDPs), while 7 million refugees from Ukraine have been recorded across Europe. As a result of the war, 27% of the population and 32% of IDPs have someone in their household who has stopped taking their prescribed medication. Up to 30% of IDPs have problems accessing health care, compared to only 9% of the general population. As IDPs and refugees begin to return, it is important to restore and expand primary health care (PHC) services in the transition from humanitarian assistance (where relevant), while improving access to pharmaceuticals, trauma, emergency care and public health surveillance.

Even long before the 2022 war, Ukraine had the lowest share of health care spending in total public spending compared to neighboring Eastern European countries. Moreover, the share of health care in public expenditures has been steadily decreasing (from 8.97% in 2016 to 7.67% in 2019). Of course, the WHO report encourages Ukraine not to lower the priority of health care in public spending in the future, even despite the war. Quite a few initiatives have already been launched to attract funding for health care during wartime – for example, Multi-Donor Trust Fund and Ukraine Humanitarian Fund.

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