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OPPORTUNITIES FOR INTRODUCING COMPULSORY MEDICAL INSURANCE IN UZBEKISTAN

* *Umurzakova Mutabarxon Nodir kizi*

* Doctoral student of the Department of Macroeconomics at the Economic Faculty of the National University of Uzbekistan named after Mirzo Ulugbek, Uzbekistan,

E-mail: *motabar.umurzaqova@mail.com*

A B S T R A C T

There is analyzed in the article the changes in health care costs, the growth of household incomes, technological and demographic changes, as well as changes in the demand for medical services in the social protection system for the population. One solution of the described problems is considered to switch to the compulsory health insurance model and health care model.

A R T I C L E   I N F O

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1. Introduction

Health care reform in the country is one of the priorities of state social policy. The report of the President of the Republic of Uzbekistan Shavkat Mirziyov on the priorities of socio-economic development of the country in the Strategy of Action for 2017-2021 highlighted the work being done in the healthcare sector. work has been done. Financing of measures on further strengthening of material and technical basis of healthcare facilities in 2017 is planned to increase from 552 billion to 803 billion sums (+45%). In 2018, it is planned to build and reconstruct 290 medical facilities. It is noted that in the sphere of social services a special role is given to medical services.

Relevance. The Decree of the President of the Republic of Uzbekistan dated April 1, 2017, No. P-2863 has become an important milestone in the development of medicine in our country. Decision on strengthening comprehensive assistance to the development of the private sector in the health sector, creating the necessary conditions for private medical institutions to provide high-quality medical services to the population, expansion of attraction of foreign investments and highly qualified specialists in the private health care sector, and development of medical tourism and medical services was accepted.

In this regard, the resolution "On medical insurance aimed at regulating relations in the field of health insurance, establishing the legal basis of voluntary and compulsory health insurance, providing guaranteed high-quality medical services on insurance policies, providing incentives and preferences for citizens to participate in the health insurance system" It is planned to develop the concept of the draft law "On the Law".

Strengthening private sector development assistance, creating conditions for high-quality medical services for private health care facilities, expanding investment in the private health care sector and attracting highly qualified specialists, including through the introduction of public health insurance. high quality and affordable consultations, including free diagnostics, treatment, health and other types of medical services. Creation of additional opportunities for employment is aimed at the rapid development of the paid medical services market. One of the priorities in addressing the above problems is to reform the health care financing mechanism.

One of the effective solutions to these problems is the effective use of the potential of health insurance in the country. Voluntary form of health insurance is currently implemented in the country. The analysis shows that the level of use of health insurance policies among the population in our country is very low, including inadequate social and economic knowledge of health insurance and its use.

The extent of the problem studied. In the far abroad countries, the relations of health insurance in the system of social protection of the population have been widely studied as an independent research object. Theoretical-practical issues of population health insurance Preker, R. Zveifil, & Schellekens OR, Richard B. Saltman Reinhard Busse Josep Figueras, Martin McKee, Elias Mossialos Barer, M., Evans, R. G., Hertzman, C., Johri M., Bec K., Ben Nun, G. , Studied by Minder, A., Schoenholzer, H. and M. Amiet et al.

2. Literature review

Legal and economic aspects of health insurance in the near abroad countries: such as N. Grigorieva, V.V Antropov, O, Zabelina, E.I Nikitana, O.G.Krestyaninova, V.G. Butova, A.A. Reznikov, S.A. Ahmedov, M.Yu.Fedorova, P.Z. Ivanishin, V.V.Petukhova, A.Yu. Botyan and other scientists.

M.Usmanova, G.Sattorova, H.Rahmonkulov, I.B Zokirov, D.M.Karakhodjaeva, R.J Ruziev, S.Boboqulov, S.S Hamroev, Sh.N. , B.B Samarkhodzhaev L.Maxmudova M.M Ardatova, V.S Bolinova, A.B Kulinova, R.Z Yablukova The role of health insurance in the system of insurance relations was studied by scientists in general.

Issues of legal, consumer protection of medical services T.Muminov, N.Narmatov, T.Isakov Babaev D.I and N.Said-Gazieva.

While the above studies have played an important role in shaping the theoretical foundations of health insurance in the social protection system,

The purpose of the study. Development of scientific recommendations and practical recommendations aimed at improving the efficiency of the formation and implementation of health insurance in the country.

Development of the health insurance market in the system of social protection of the population is related to the growth of public health expenditures, technological and demographic changes, and changes in consumer demand for medical services.

Health expenditure per capita in the world increased by 2.5 times by the beginning of the 21st century[1].

Since Uzbekistan's per capita spending on health care is 1.5-2 times lower than in Europe, it is expected that healthcare expenditure per capita in the next 10 years will grow rapidly. Per capita health expenditures will be approximately 60,600 sums in 2010, up to 332,500 sums in 2020 and approximately 471,900 sums by 2035. (Table 3)

Insurers, insurance intermediaries, adja-centers, actuaries, insurance brokers and professional assistant insurance market participants. Insurance broker, reinsurance broker and insurance agent are insurance intermediaries. "

3. Main part

According to forecasts, by 2020-2025 Uzbekistan will have 33.9 million people. and $ 37.4 million. per person. Health expenditures in 2020 will be $332.5 \times 33.2 = 11218.3$ billion and 2025 $471.9 \times 36.4 = 17.9$ billion (Table 3). If the economic growth rate in Uzbekistan is not less than 5.5% by 2020 and 5% by 2025, healthcare expenditures in 2020 will be 3.6% of GDP and 3.8% in 2025.

Dynamics of Changes in Income of Population in Uzbekistan (Table 1)

Thus, by 2018, healthcare expenditures will increase 1.1 times by 2020, and 1.7 times by 2025.

The following are the factors of the high rate of growth in health care

Name of the indicator	2010 y.	2011 y.	2012y.	2013 y.	2014 y.	2015y.	2016 y.	2017 y.	2018 y.
Income of the population, bln. In the sum	47 247	62 602	78 816	101 661	117 889	132 042	151 644	186 233	286 270
in percent of the previous year	-	132,5	125,9	123,7	116,0	112,0	114,8	122,8	129,6
Per capita income in thousand Soums	1 654,2	2 134,8	2 647,1	3 361,5	3 832,8	4 218,7	4 761,5	5 450,2	8 686,6
in percent of the previous year	-	129,0	124,0	121,8	114,0	110,1	112,9	120,8	127,4
Real incomes of the population, bln. In the sum	43 894	58 159	73 550	95 028	110 767	125 135	143 643	170 123	243 572
in percent of the previous year	-	123,1	117,5	115,7	109,0	106,1	108,8	112,2	110,3
Real gross income per capita, UZS thous	1 536,8	2 003,7	2 470,2	3 142,1	3 601,3	3 998,1	4 510,3	5 252,8	7 391,0
in percent of the previous year	-	119,8	115,7	113,9	107,1	104,3	106,9	110,3	108,4

no specific research has been undertaken to improve the effectiveness of health insurance in the essence, types, and social protection of health insurance.

costs:

Real income of the population and expected high economic growth rates. According to our estimates (table 3), by 2020, GDP will increase

[1]WHO. WHO Global Health Observatory Database: http://apps.who.int/ghodata/?vid=21000 (accessed February 24, 2011)

by 0.9 times by 2020, and by 2025 - 1.7 times. Due to the high demand for health care services, spending for this period is 2.4 and 3.8 times higher, respectively.

We analyze the dependence of health insurance premiums on the growth and development of the demand for medical services in Uzbekistan, based on the data of Kafolat Insurance Company.

We consider the relationship between income and insurance premiums by model. (Based on the insurance company "Kafolat").

Revenue from the Insurance Company "Kafolat" for 2013-2017 (Table 2)

year	Income (X) (billion))	Insurance premium (billion soums)
2013	101661	30.3275
2014	117889	42.362
2015	132042	56.8561
2016	151644	751145
2017	186233	803974

$$a = \frac{\sum_{i=1}^{n} x_i y_i - \sum_{i=1}^{n} x_i - \sum_{i=1}^{n} y_i}{n * \sum_{i=1}^{n} x_i^2 - (\sum_{i=1}^{n} x_i)^2} = 0.00042$$

$$b = \frac{\sum_{i=1}^{n} y_i - a \sum_{i=1}^{n} x_i}{n} = 2.4$$

y=0.00042*x+2.4

The analysis shows that if the income of the population increases by one Soum, the insurance premiums of the insurance company will increase by 0.00042 soums. We can say that with the increase in incomes of population the introduction of compulsory health insurance model in Uzbekistan for qualitative and guaranteed supply of medical services.

- The introduction of new diagnostic and treatment equipment will increase healthcare costs by 1.8 times by 2020 and 3.3 times by 2025 compared to 2018.
- Increase in population, healthcare expenditures will increase by 0.9 times in 2020 and 1.1 times in 2025 compared to 2018.

Changes in the budget allocations for the development of the social sector in 2010-2018 (billion sums)(Table 3)

Number	Year	Total expenses	From this to the development of the social sphere	including health care	GDP	Including social sphere,%	Including healthcare,%	Population quantity[2]	Thousand soum per capita GDP
1	2010	13 386,9	7 835,9	1 716,5	62 388	12,6	2,8	28318,1	60,6
2	2011	16 726,0	9 704,9	2 226,7	78 764	12,3	2,8	28860,7	77,2
3	2012	20 882,0	12 299,9	3 024,9	97 929	12,6	3,1	29403,3	102,9
4	2013	25 833,7	15 167,8	3 709,9	120 862	12,5	3,1	29945,9	123,9
5	2014	31 425,4	18 493,7	4 507,2	145 846	12,7	3,1	30492,8	147,8
6	2015	36 257,3	20 447,1	5 218,5	171 808	11,9	3,0	31022,5	168,2
7	2016	40 911,3	22 766,0	5 811,6	199 993	11,4	2,9	31575,5	184,1
8	2017	49 344,9	26 708,7	7 030,3	302 537	8,8	2,3	32120,5	218,9
9	2018	79 736,1	39 026,9	9 585,8	407 514	9,6	2,4	32656,7	293,5
10	2019*	80 447,7	39 686,9	10 021,4	441 759	9,0	3,1	33201,3	301,8
11	2020*	91 418,6	44 419,6	11 218,3	507 166	8,8	3,6	33743,9	332,5

[2] Demographic Yearbook of Uzbekistan 2014-2018. Tashkent 2018. p.99

12	2021*	102 389,5	49 152,4	12 415,2	572 572	8,6	2,8	34286.5	362,1
13	2022*	113 360,4	53 885,2	13 612,1	637 979	8,4	2,5	34829,1	390,8
14	2023*	124 331,3	58 618,0	14 809,1	703 385	8,3	2,8	35371,7	418,7
15	2024*	135 302,2	63 350,8	16 006,0	768 792	8,2	3,1	36914,2	445,7
16	2025*	146 273,1	68 083,6	17 202,9	834 198	8,2	3,8	37457,4	471,9

In this context, the main challenge in the long run is to achieve optimization of costs for ensuring real affordability and quality of services for all segments of the population. The current model of structure and financing of this sector is unlikely to solve this problem due to the limited budget resources and tax burden. Increasing the share of paid medical services in the long run is also not considered a rational solution. First, it is a violation of the principle of social cohesion. Secondly, an increase in unregulated payments would result in a clear loss of patient and state at the same time. In particular, the high costs of inpatient patients due to the fact that wholesale drugs are 40-50% more expensive than hospital purchases; interest of medical institutions to purchase expensive medical equipment for paid services; preference for more expensive methods of medical care, and so on. In our opinion, paid and free-of-charge medical care in a single treatment facility will lead to increased corruption. In this case, it is necessary to look for rational solutions that are relevant to the health sector development.

One of the solutions to the problem may be the transition to a compulsory health insurance (compulsory health insurance) model, which demonstrates social solidarity and responsibility for health services delivery. According to this model, health care financing is funded by the health insurance fund (Compulsory Medical Insurance Fund). The source of the compulsory health insurance fund is the contribution paid by employers and workers in a certain proportion of the salary fund and the salary of the employee. Payment for medical services will be made upon completion of services. The volume and terms of compulsory medical insurance are covered by the basic program of compulsory health insurance. At the same time, the state

bodies of health care performing the functions and regulation of medical services not provided by compulsory health insurance will be maintained.

Structure of the State Budget for Health Expenditure Directions in 2018[3]

Establishment of the system of compulsory health insurance will allow in the future to involve economic entities to reduce public budget and population costs and to finance the health care system. In particular, it is estimated that the introduction of compulsory health insurance into the health care system will allow:

• By 2021, the budget allocations to the health care system will be reduced by about 27% from outpatient services and by 4525 by 2025;

• increase the share of businesses in compulsory health insurance to 13% by 2020.

In addition, the transition to the system of compulsory health insurance requires the implementation of the following measures:[4]

1. Creation of a state system that guarantees free health care to certain groups of the population. Taking into account the increase in the share of paid medical services in the health care system, it is necessary to provide guaranteed health care services for certain population groups and certain diseases. This system is not yet established in Uzbekistan. The need to calculate the actual need for guaranteed health services is also based on the fact that funding in the system of compulsory health insurance is based on the types of health services, not the organizations.

2. Development of mechanisms for the establishment and use of the Compulsory Medical Insurance Fund. This requires the calculation of the cost of health insurance package of compulsory health insurance, the system of clinical and economic standards by the method of the clinical cost group, and the national accounts of the health care system. According to the preliminary calculations, if the salary fund is 3% of the amount payable to the Mandatory Health Insurance Fund, the Medical Insurance Fund will ensure the financial sustainability of the fund.

3. Establishment of a unified health care management body to streamline public spending and rational planning. In the early stages, it may function as a special department under the Ministry of Finance, and its staff system includes two specialties - a doctor-analyst and a health economist. As soon as the system of compulsory health insurance is introduced, the department

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[3] budjet_for_citizens 2018.htths//www.mf.uz
[4] Соғлиқни сақлаш бошқармаси ва молиялаштириш тизимининг қайта тиклаш

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will be transformed into a regional health financing system, which will provide funding and financial planning for medical facilities under the mandatory health insurance program. With the development of the MTS system, new health insurance specialists will be included in the Healthcare Financing Agency.

At the end of the transition period, the Ministry of Finance will remain in the strategic planning and operational planning and management functions at the Agency. The Ministry of Finance for Healthcare Financing includes the following tasks: a) health budgeting planning, development and approval of general and specific budgets - in cooperation with the Ministry of Health and the Agency; b) control of health care expenditures at the national and regional budget; c) financial control of individual organizations (KRU).

4. Creation of a unified standardization system for medical facilities. This system will help improve the quality of health services and optimize public expenditures. It is also proposed to establish a special body responsible for standardization of medical institutions - the Institute of Medical Statistics, Informatics and Standardization (Medinformstandart).

Conclusions

Private medicine should be developed as a complement to the needs of the upper and middle layers of the population, which are not covered by the compulsory health insurance package and state guarantees. This development will help to improve the quality of medical services and the introduction of new technologies and innovations.

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