

PUBLIC ADMINISTRATION AND ECONOMY

ANALYSIS OF SOURCES OF FUNDING FOR COMPULSORY HEALTH  
INSURANCE

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The most important characteristic of the compulsory health insurance system is the targeted formation of sources of healthcare revenues. Compulsory health insurance means that both employers and employees can pay insurance premiums. The share of each party depends on the specific economic conditions of such insurance and the cost of medical care in the country.

Under the terms of compulsory health insurance, employers are required to pay insurance premiums from their income. These funds form an insurance fund managed by the state. A part of this fund can also be created through contributions deducted from employees' salaries. The insurance fund is used to reimburse the required minimum level of treatment costs for insured employees in case of their inability to work due to health-related disability. Employers' contributions and payments by municipal (territorial) authorities for the non-working part of the population do not go to the general budget, but directly to healthcare needs.

Thus, the main sources of funds for health care in the conditions of insurance medicine are revenues from budgets of all levels: the state budget, regional, city, village and other budgets. The sources of their formation are general tax revenues: income tax; value added tax; income tax, production tax, etc. Local taxes include advertising and utility taxes. Local fees (mandatory payments) include:

- 1) hotel tax;
- 2) parking tax;
- 3) market tax;
- 4) apartment warrant tax;
- 5) resort tax;
- 6) racing tax;
- 7) winning tax on racing at the hippodrome;
- 8) tax on persons participating in the game of sweepstakes at the hippodrome;
- 9) tax on the right to use local symbols
- 10) a fee for the right to conduct film and television filming;
- 11) a fee for holding a local auction, competitive sale and lottery;
- 12) a fee for passing through the territory of border regions for vehicles traveling abroad;
- 13) a fee for issuing a permit for the location of trade and service facilities;
- 14) a fee from dog owners.

Local taxes, the mechanism of collection and the procedure for their payment are established by village, town and city councils in accordance with the list above and within the limits of the rates established by the laws of Ukraine. An exception is the fee for traveling through the territory of border regions by vehicles traveling abroad, which is set by regional councils. The amounts of local taxes (fees) are credited to the budgets of local councils of people's deputies.

These funds are used to finance high-cost specialized medical care, treatment of certain diseases and pathological conditions, and provision of medical care to certain segments of the country's population. The types of budgets and targeted funding in each country are determined by law:

- targeted tax revenues;
- targeted contribution to compulsory health insurance.

Thus, the standard financing of health care through payroll taxes is a grossly inadequate basis for financing health care in the country. In turn, predominantly tax-based financing of the healthcare system provides better opportunities for financing the sector.

Each country modernizes its healthcare financing system depending on a number of initial parameters, such as

- the size of the country's state budget,
- availability of appropriate healthcare system infrastructure (hospital districts and their technical equipment, qualified personnel, information technology)
- possible expenditures on health care,
- current state of morbidity of the population,
- general system of social protection of the population,
- historical background.

As a rule, countries with predominantly budgetary financing tend to decentralize the management of financing systems and commercialize health care institutions.