

HEALTH SERVICES ASPECTS - ECONOMIC APPROACH

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ABSTRACT: *There is a constant concern for sustainable development. No investment can be made without analyzing the needs and determining the necessary resources, so that the result is the intended one. In this context, we must be aware that the most important resource, which has an active and decisive role in production and which enhances the other factors in order to obtain goods and services, is the human resource, human capital. Thus, the constant concern for the health needs of the population and the provision of quality medical services must be the priority of each state. Thus, this paper aims to highlight specific aspects of health services, approached from an economic perspective.*

KEY WORDS: *human needs, financial resources, health services, human capital.*

JEL CLASSIFICATIONS: *I 11, I 12, I 13.*

1. INTRODUCTION

The field of health services, from an economic point of view, aims at allocating resources to provide the most effective health care alternatives, which have as a consequence the maintenance and improvement of the population's health and, consequently, the increase of the living standard. Health, along with education, is the basic component of human capital, which forms the basis of the economic productivity of the individual, influencing the growth and economic development of the whole society, in the long run.

In the current socio-economic context, the importance of the health services sector is obvious, especially considering that the health status of the active population directly determines the level of labor productivity and, implicitly, the efficiency of economic activity as a whole. At the same time, an analysis of the market for medical services in terms of supply and demand can provide important information, especially from the point of view of the set of resources involved.

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From an economic and social point of view, the health of the individual and the population, in general, is seen as an ability to perform efficient activities, under the influence of external factors and within the limits of certain types of activities. From an economic point of view, health is the foundation of the nation's well-being, its economic and social prosperity.

In the economic approach to the field of health services, we must keep in mind, first of all, that the basis for the reproduction of working capital must be a coherent and efficient health system, which involves the use of considerable amounts of economic resources and funds from the state and the population. Public health - as well as the health of each citizen - is a strategic objective of the state and a condition for the national security of the country, being a representative indicator of the level and quality of life.

2. HEALTH NEEDS

In the economic sense, human needs represent material and spiritual requirements, of goods and services of people, they being conditioned and becoming effective depending on the level of economic and social development and the level of development of the individual. Meeting needs means consuming goods and services, ensuring the existence and development of the bearers of these needs - individuals, social groups, nations, society as a whole.

Human needs manifest themselves as an integrated and dynamic system of requirements, ordered and ranked according to their place and role in social life.

Depending on the three dimensions of the human being (biological, social and rational) the needs are grouped into physiological, social, rational, spiritual-psychological. Depending on the degree of economic development and the level of culture and civilization, the needs can be: basic or inferior and complex or superior.

Basic human needs include those related to the physical and mental health of individuals. In addition to access to health services, meeting the two categories of needs is also influenced by a number of factors such as:

- Intermediate factors to meet the need for physical health (adequate food, drinking water, adequate housing, a suitable working environment, adequate medical care, etc.);
- Factors that contribute to the mental and emotional health of individuals (physical, emotional, economic, cultural security, membership in a social group, access to education, etc.).

Assessing the health needs of the population and reducing inequalities in access to health services must be a priority and a permanent activity for all authorities involved. In this regard, it is necessary to identify, attract and use efficiently the resources needed to cover these needs as fully as possible.

3. HEALTH SYSTEM RESOURCES

To a large extent, meeting the health needs of individuals depends on the performance of the health system, which, in turn, is influenced by the ability to attract

and use resources to provide health services, as well as on the distribution of these resources to health care providers. The main resources of the health system are financial, human and material.

3.1. Financial resources

The role of financial resources is to finance the health system and refers to the way in which the funds necessary to carry out the activity in the health sector are collected, allocated and used.

The method of financing combined with the type of organization of the health system, determines the categories of population that have access to health care, the cost of such care, the efficiency and, last but not least, the quality of the services provided. All this, in turn, determines the health status of the population, the degree of satisfaction of the beneficiaries of medical services and, last but not least, the employment potential of human capital (Murgea, 2016).

In Romania, the financial resources of the health system come mainly from:

- Unique National Health Insurance Fund. The social health insurance is provided by the legislation in place, being compulsory for every individual who carries out a lucrative activity, regardless of his health status. These amounts represent a percentage of the income of employees as well as those of employers, constituting the Unique National Health Insurance Fund. Social health insurance is the main system for financing care the health of the population that provides access to a package of basic services for the insured;
- State budget revenues. Through this method of financing the funds are collected at the state budget, being then allocated to the health sector, according to the budget approved by the competent institutions at the beginning of each calendar year;
- Private health insurance (optional). Supplementary or complementary health insurance may cover individual risks in special situations and/or in addition to the services covered by public health insurance; it is provided by private insurance companies and is correlated with the health status of the insured persons; the size of the contribution depends on the package of services that will be provided according to the needs of the client. In recent years, there has been an increase interest in private health insurance in developed countries, the benefits of these policies being increasingly sought by individuals or legal entities - who have included insurance in the package of extra-salary benefits.;
- Direct payment for medical services - is mainly practiced in private medical institutions, but can also be found in public health institutions in the form of co-payment;
- External donations and loans - may come from international organizations such as World Health Organisation (WHO), UNICEF, World Bank, etc., which provide financial and logistical support to the health sector in developing countries.

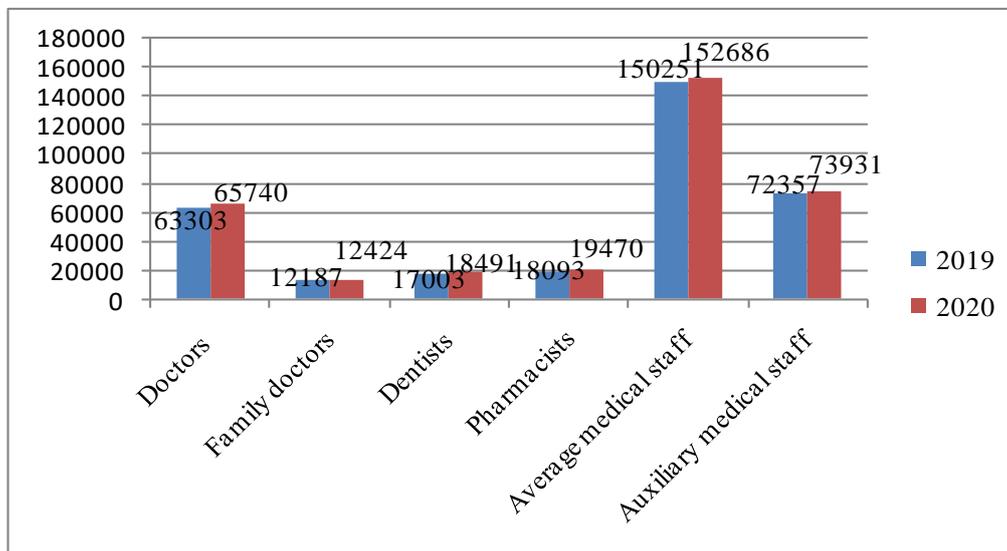
3.2. Human resources

The second category of resources involved in the proper functioning of the health system is human resources - the central element in the provision of health services.

„Human capital can be seen as the set of knowledge, skills, competencies and other attributes held by individuals and which are relevant to economic activity. Human capital thus constitutes an intangible asset with the capacity to intensify and sustain labor productivity, the capacity for employment and innovation” (Staicu, 2013, pp.80-81).

The ability of health systems to be efficient, flexible and to respond promptly and effectively to new challenges that may arise is strongly influenced by the quantitative and qualitative availability of human resources, medical staff endowed with relevant skills, knowledge and abilities, working in an environment that motivates them and gives them a proactive attitude. At the same time, we must keep in mind that for a high-performance health system, the quality of human resources management is essential in the exercise of certain functions, such as: human resources planning, staff training and development, evaluation of its performance, management, motivation and appropriate reward. medical staff.

Although, during the years ‘90-2000, there was a strong tendency for medical staff to leave the Romanian health system, and at the moment, their insufficiency is still felt (especially in the context of the COVID-19 pandemic), however, there is a slight improvement in the situation for all categories of staff - Figure 1.

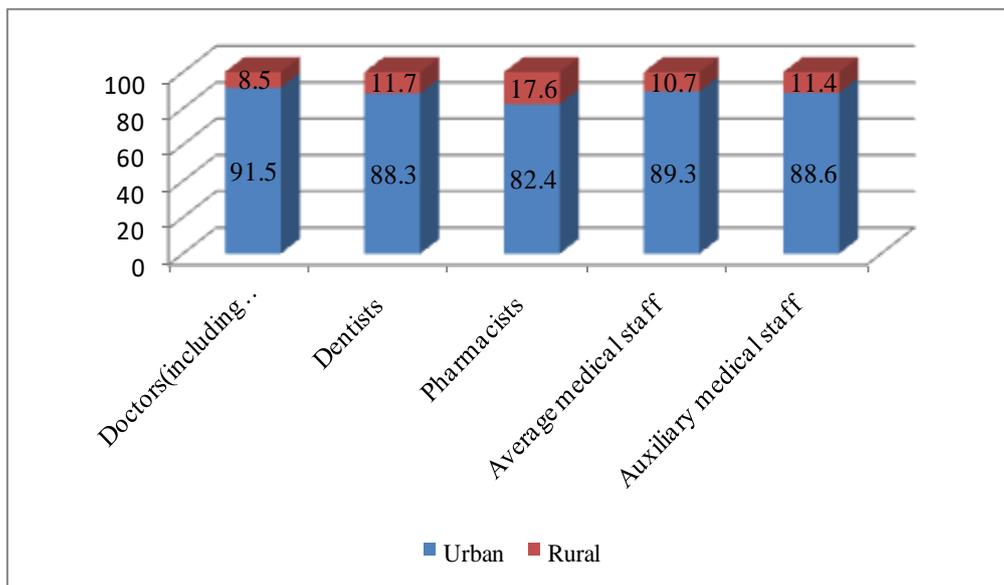


Source: https://insse.ro/cms/sites/default/files/field/publicatii/activitatea_retelei_sanitare_in_anul_2020.pdf

Figure 1. Distribution of health personnel by personnel categories, in 2019 and 2020 (no. employee)

In the context of the evolution of the COVID-19 pandemic during 2020, of the overload of hospitals and medical staff, the number of doctors increased by 2437 compared to 2019, the most obvious increases being directly correlated with the pandemic and highlighted by increases in the number of specialists in the main medical specialties involved in the treatment of COVID-19 patients and in the activities of managing the spread of the virus. This trend is also due to the significant increase in salaries in the system, which has led to a reduction in emigration among medical staff.

Regarding the distribution of health personnel by area of residence, this is determined by the territorial distribution of health units, with major discrepancies between urban and rural areas - Figure 2.



Source: https://insse.ro/cms/sites/default/files/field/publicatii/activitatea_retelei_sanitare_in_anul_2020.pdf

Figure 2. The structure of the main categories of health personnel by place of residence in 2020 (%)

We see from figure 2. that in the sanitary units in the urban environment carried out their activity, in 2020, 91.5% of the total number of doctors, including family doctors, 88.3% of the total number of dentists, 82.4% of the total number of pharmacists, 89.3% of the total average medical staff and 88.6% of the total auxiliary medical staff.

From the point of view of the health personnel who ensure the health care of the population in rural areas, it was poorly represented, in 2020, carrying out its activity in rural areas only 8.5% of doctors, 11.7% of dentists, 17.6% of the total pharmacists, 10.7% of the total average medical staff and 11.4% of the auxiliary medical staff.

3.3. Health system infrastructure

Health services are provided to the beneficiaries through the network of medical institutions which includes a wide range of units, such as: hospitals, primary care offices, health centers, dental offices, etc., belonging mainly to the public sector, and completed with a network of private units, which is growing more and more in recent years.

Table no.1 presents a series of medical units that are part of the infrastructure of the Romanian health system, as well as their distribution by area of residence.

Table 1. Number of sanitary units by areas of residence and types of units, in 2020

No.	Unit type	Urban	Rural	Total
1	Hospitals	479	48	527
2	Specialized medical centers with hospital beds	119	7	126
3	Independent family medicine offices	6385	4267	10652
4	Independent general medicine offices	648	98	746
5	Pharmacies	5392	2653	8045
6	Specialized medical centers	670	11	681
7	Independent dental offices	13374	2276	15650
8	Medical laboratories	4160	176	4336

Source: National Institute of Statistics, *Activitatea rețelei sanitare și de ocrotire a sănătății (2020)*

The distribution of health units by area of residence highlights the fact that the health network is developed predominantly in urban areas, where more than 90% of the total number of medical units were found. In rural areas, medical care is largely provided by family doctors in independent family medicine practices.

The network of independent medical offices and independent dental offices - part of the outpatient healthcare system - is also located mostly in urban areas.

On January 1, 2021, a resident population of 19,186 thousand people, of which 10,286 thousand in urban areas and 8,900 thousand in rural areas (National Institute of Statistics, 2021), results, by area of residence, approximately 200 people/health unit in urban areas and 740 people/unit health in rural areas.

There is a huge discrepancy between urban and rural residents regarding access to quality medical services in Romania. In rural areas, 1.3 times more patients are assigned to a family medicine offices compared to an urban one. Moreover, if we take into account the fact that in the rural area the vast majority of the population is aging, showing a higher frequency of chronic morbidities and reduced territorial mobility, we deduce the insufficiency of medical units and, consequently, the poor satisfaction of the needs of the population's health services.

At the same time, it should be noted that a significant part of the state-owned medical units no longer meet current medical requirements, requiring extensive

investment in consolidating, modernizing and equipping them. "The health system in Romania is based on an infrastructure designed 50-60 years ago, when the need for health services was different from today's realities," reads the National Recovery and Resilience Plan. Due to the fact that Romania's health infrastructure and the framework for providing services in the public health system have not been adapted to modern technologies and do not meet the medical needs of the population, a large part of the population addresses private medical units.

According to the National Institute of Statistics, in some segments, the number of open private medical units has more than doubled. This is the case of specialized medical centers, where a considerable advance is registered. In 2017, there were 627 medical centers dedicated to diagnosing various diseases, medical imaging investigations and even oncology, compared to 273 units in 2014. Basically, the massive investments made by private companies are reflected in the medical infrastructure, providing quality services to the population. and better satisfaction of medical needs.

4. CONCLUSIONS

The importance of the health services sector is obvious, especially given that the health status of the active population directly determines the level of labor productivity and, implicitly, the efficiency of economic activity at the macroeconomic level. From the ones presented in the paper, the following aspects can be concluded regarding the health system in Romania:

- the physical and mental health needs of the population have increased and diversified greatly in recent decades as a result of external factors such as stress, inadequate nutrition, pollution in big cities and, more recently, the COVID-19 pandemic, which puts increasing pressure on medical system;
- although the number of health workers in the health system has increased, it remains insufficient to fully meet the specific needs of the population;
- the number of medical units that make up the infrastructure of health services is undersized, especially in rural areas;
- there is a migration of individuals from public health services to private health services, even if they pay contributions to the public health system;
- the public health infrastructure is outdated and no longer largely meets current needs.

In view of the above, it is necessary to reorient the state's policies in the field of health services, to better finance it and to pay more attention to the health of the population, by risk categories, by introducing national disease prevention programs.

At the same time, the field of health services should become a priority of research and innovation activities, as well as the transfer and effective use of research results in medical practice. All this will lead to national prosperity and an increase in the quality of life of individuals, as well as to the acquisition of global public goods.

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