JMI Jurnal Multidisiplin Indonesia

Volume 3 Number 10 October 2024
E-ISSN: 2963-2900 | P-ISSN: 2964-9048
https://jmi.rivierapublishing.id/index.php/rp

Policy Strategies in the Implementation of Referral Health Service Transformation

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ABSTRACT

The implementation of the transformation of referral healthcare services aims to improve access and quality of healthcare services in Indonesia; however, its execution has not been optimal. This is due to the hospital ecosystem not yet supporting service development, and hospitals' responses that are not quick and accurate in addressing changes in disease patterns and public demands. This policy document is prepared to bridge the implementation of healthcare service transformation at the Ministry of Health, which has been developed by the Ministry of Health into focused operational strategies and policies to ensure the realization of referral healthcare service transformation. These strategies and policies are developed through an in-depth review of data on referral healthcare services and the condition of healthcare services in Indonesia, as well as the existing planning and budgeting policies. Furthermore, the analysis used in formulating the strategies and policies includes problem tree analysis and Bardach's Evaluation Technique. The formulated policy concerns the adjustment of the Ministry of Health's Planning and Budgeting Policy as stated in the Minister of Health Regulation No. 48 of 2017 on Guidelines for Health Planning and Budgeting by adding the following substance the referral healthcare service program as one of the foundations for establishing planning and budgeting policies at the Ministry of Health, Prioritizing the budget for the implementation of referral healthcare transformation through tagging the referral healthcare transformation program in the Krisna application, Rules regarding the planning and budgeting patterns of BLU work units, which have specific management characteristics, including the use of initial balances and the establishment of expenditure thresholds..

Keywords: Policy, Health Transformation, Planning and Budgeting

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INTRODUCTION

Currently, the health sector is undergoing significant macro changes, including population changes and new trends in the health economy. One of the most striking changes is the growing number of elderly populations, which will require larger volumes of geriatric and home care services in the future (Pratiwi, 2018). In addition, the increasing prevalence of chronic diseases has caused a shift in the pattern of health services towards preventive services, such as medical check-ups for early detection (Hamzah et al., 2021). This need creates challenges for the existing health system and demands innovation in health service delivery.

Another demographic change is the rise of the middle economic class globally. This middle economic class has the potential to utilize their income beyond basic needs, thereby increasing the demand for consumptive and corrective health services (Mayasari et al., 2022), such as anti-aging, aesthetics, plastic surgery, and obesity clinics. In Indonesia, health system reform is crucial to building national health resilience, especially after the Covid-19 pandemic

that exposed weaknesses in the public health response (Personal & Setijaningrum, 2023). According to Judijanto et al., (2024) changes in epidemiological patterns, which are transitioning from infectious diseases to non-communicable diseases (NCDs), add to the complexity faced by the health system in Indonesia.

Basic Health Research Data (Riskesdas), Year 2018 shows that the prevalence of NCDs has increased significantly compared to Riskesdas 2013, with an increase in the number of people suffering from diseases such as diabetes, hypertension, and heart disease. This phenomenon does not only occur in Indonesia but is also experienced by many developing countries, where changes in socioeconomic status lead to unhealthy lifestyles, such as an unbalanced diet and lack of physical activity. Previous research, such as that conducted by the Ministry of Health in Kustiyanti, (2023), showing that nearly 90% of health spending is spent on curative services, which are not only expensive but also burdensome for patients, especially in remote areas that are difficult to reach.

The urgency of this research lies in the need to optimize health services in the midst of existing challenges, such as increasing NCDs and high operational costs. The integration of technology and innovative approaches in health care is key to improving access and quality of services. However, many hospitals have not responded quickly and appropriately to changes in disease patterns and community demands, so it is necessary to explore effective solutions. Previous research, such as those conducted by Sudarno and Yulianti (2021), shows that the use of information technology in health management can improve service efficiency, but its implementation still faces various obstacles.

The implementation of the transformation of referral health services aims to improve access and quality of health services in Indonesia, but its implementation is still not optimal. This is due to the hospital ecosystem that has not supported the development of services, as well as the hospital's response that has not been fast and appropriate in dealing with changes in disease patterns and community demands. Analysis using the CGI (Controversy, Gap, and Inconsistency) method shows that there is a major problem in the transformation of referral health services, namely the lack of budget support caused by the Public Service Agency (BLU) revenue that is insufficient for hospital operational costs. This study aims to analyze these problems and provide recommendations to improve the efficiency and effectiveness of health services in Indonesia, as well as strengthen national health resilience in the face of increasingly complex challenges.

The benefits of this research have a far-reaching impact not only on Indonesia but also globally. By understanding and addressing challenges in health systems, this research can provide useful recommendations for other countries facing similar problems. Effective healthcare transformation can improve accessibility and quality of services, which in turn contributes to improving overall public health. In addition, the integration of technology in healthcare can inspire innovation in different countries, accelerate the adoption of best practices in health management, and facilitate international collaboration in addressing global health issues. As such, the study not only serves as a guide for health policy development at the national level, but also serves as a valuable resource for researchers, health professionals, and policymakers around the world to drive broader and sustainable improvements in health systems.

METHOD

This study uses a quantitative descriptive analysis methodological approach. This method aims to present data in a systematic, structured, and comprehensive manner through various forms of visualization such as tables, graphs, and diagrams, which allows for a more in-depth analysis of existing issues in health policy.

The design of this study prioritizes policy analysis with a focus on identifying and evaluating problems related to health services. The research process consists of several steps that include prioritizing issues, determining problems, and evaluating policies. These steps are described in Table 2 below:

Table 1. Priority Steps in the Research Process

It	Process	Activities	Technique
1	Prioritization of issues	Determining priority issues to be further analyzed	CGI
2	Determining the problem	Determine the problem and conduct the analysis	Problem Tree
3	Policy evaluation	Determine policy recommendations from policy options	Bardach Technique

The approach used in this study is policy analysis, which involves the use of systematic analysis techniques to identify key issues, evaluate existing problems, and formulate effective policy recommendations. This approach allows researchers to gain a better understanding of the factors that affect the effectiveness of health services.

The data sources used in this study consist of:

1. Hospital Performance Report Data: Information related to the effectiveness and efficiency of hospital operations.
2. Disease Epidemiology Data: Data that shows the pattern and prevalence of diseases in the population, which helps in the analysis of health care needs.
3. Hospital Financial Statement Data: Information regarding budget allocations, expenditures, and sources of hospital income that can affect health service policies.

RESULTS AND DISCUSSION

1. New Health Economy *Concept*

   Concept "*New Health Economy*"refers to the major changes in the way we view, manage, and finance health in the modern era (Franz & Ghebreyesus, 2019). In this context, there are several important aspects that are in focus:

   a. Value-Based Approach
      In the *New Health Economy*, the focus shifts from simply treating diseases and paying per medical service to a more value-oriented approach. This means paying attention to the long-term health outcomes and quality of life of the patient, not just the cost per visit or procedure.
   b. Technology and Innovation
      Technology plays a big role in the New Health Economy. Innovations such as telemedicine, health apps, and data analytics enable better health monitoring and more personalized care. This technology can improve the efficiency and effectiveness of the health system.
   c. Prevention and Population Health
      In this concept, greater emphasis is placed on disease prevention and health promotion. This includes efforts to reduce risk factors and promote a healthy lifestyle that can prevent the emergence of diseases.
   d. Patient Engagement:
      The New Health Economy also emphasizes the importance of patient involvement in their own healthcare. By giving patients better access to information and tools to manage their health, they can make better, more informed decisions.

e. Health System Integration
   There is an urge to integrate different aspects of the health system, including primary care, specialists, and ancillary services, to create a more holistic experience and better coordination between different service providers.
f. Mental Health and Wellbeing
   Mental health is an important part of the New Health Economy. Paying attention to a patient's mental and emotional well-being is just as important as physical health, and often requires a special approach and support.
g. New Financing Model
   The financing system is also changing with a shift towards a model that is more focused on results and efficiency. This could include value-based health insurance, where healthcare providers are paid based on health outcomes achieved, not the volume of services provided.

Overall, the New Health Economy seeks to create a more equitable, efficient, and outcome-oriented health system that can improve overall public health and reduce the cost burden (Yustita, 2024).

2. Transformation of Referral Health Services

The Ministry of Health is transforming the health system which aims to change the existing health system to be more effective and efficient in providing health services (Zain et al., 2024). The goal of transforming the health system is to improve the quality of services, expand accessibility, and reduce health disparities between regions. Health transformation is manifested in 6 strategic pillars in advancing the health system, namely: Primary Service Transformation, Referral Service Transformation, Health Security System Transformation, Health Financing Transformation, Health Human Resources Transformation, and Health Technology Transformation (DPR RI, 2018).

Vertical Hospitals contribute to the Transformation of Referral Services through improving referral mechanisms and improving access and quality of hospital services, and public health laboratory services.

Access and quality of referral services play an important role in facing various health challenges in Indonesia such as maternal, infant, child, adolescent, and epidemiological transitions. Indonesia as an archipelagic country with a large population urgently needs a transportation and communication system, infrastructure, health service facilities, and competent health workers with an adequate number. The health service system that is still fragmented and unsustainable is one of the factors causing the low health status of mothers and neonates. On the other hand, the rapid epidemiological transition provides an increasing urgency for the acceleration of improving access and quality of referral services through the fulfillment of resources and the strengthening of governance. So that the role of hospitals is currently directed not only to focus on curative and rehabilitative services to pursue income, but also must have a role in achieving priority programs, such as reducing maternal mortality, reducing infant mortality, reducing *stunting*, reducing *wasting*, and also disease control, including through screening.

Equitable access to referral services and the arrangement of referral service networks aims to increase public access to quality referral services. An effective referral system is needed to support the availability of access to health services. The arrangement of the referral system aims to form effective referrals and strengthen the province's ability to solve population health cases in its area without having to be referred out of the region.

Strengthening referral management is carried out by developing a communication mechanism between referral service facilities and improving the integrated and technology-based referral function. Improving the quality and competitiveness of referral services is carried out through hospital accreditation and the development of referral network systems and

partnerships (*sister hospital*). The development of RSK and special superior services responds to the epidemiological transition. The epidemiological transition increases the need for services for non-communicable diseases such as mental illness, stroke, neuro/brain, cancer and orthopedics. Currently, the development of superior services for hospitals is directed at 9 (nine) types of priority diseases with the highest morbidity and mortality rates nationally, namely heart, cancer, DM, kidney, liver, stroke/brain, KIA, TB, infectious diseases (Syam et al., 2024).

3. Hospital Development

To create the right response in the face of changing demands, hospitals need to formulate development implementation steps to create a Center of Excellence (CoE) in services (Helsanewa, 2018)that is:

a. Targeted Strategy Development
   The first step in service development is to develop a clear and targeted strategy such as improvements in the quality of health services, operational efficiency, or medical innovation. This strategic vision must be tailored to the needs of health institutions and the communities they serve. The development of this strategy should also consider how the Center of Excellence will provide the best specialisation services on an ongoing basis
b. Organizational Structure and Leadership
   The CoE must have a solid organizational structure with strong leadership. CoE leaders must have deep expertise in related medical fields and be able to guide the team towards achieving CoE goals. This organizational structure should also be designed to support cross-disciplinary collaboration between various departments and medical personnel. Effective leadership is essential in ensuring that every part of the CoE works efficiently.
c. Funding and Resources
   To ensure smooth operations, the CoE requires adequate resources, both in terms of finance and materials. Funding should be allocated for infrastructure, the latest medical technology, research, and staff training and development. Without strong financial support, the CoE will not be able to achieve its optimal goals. Institutions often have to look for funding sources from various sectors, including government, private sector, or donors.
d. Infrastructure and Technology
   CoE must be supported by adequate physical and technological infrastructure. This includes facilities specifically designed to provide high-quality medical services as well as advanced technology that supports better care. These technologies include diagnostic tools, health information management systems, and care-supporting technologies such as robotics and telemedicine.
e. Integrated Management System and Process
   Another important component is effective process management and integration. The management system used must allow for good supervision of clinical and operational performance. The use of data for performance evaluation and decision-making is key to ensuring that the CoE operates efficiently. The management system must also ensure synergy between various departments and teams.
f. Performance Measurement and Continuous Improvement
   Regular performance measurement and continuous evaluation are necessary to ensure that the CoE continuously improves the quality of service. Performance indicators should be established to assess clinical outcomes, patient satisfaction, and operational efficiency. Based on the results of these measurements, the CoE can continue to innovate and make improvements in various areas (
   Each of these components plays an important role in ensuring the success *of Centers of Excellence* in healthcare institutions, with the ultimate goal of providing superior and comprehensive medical services (James K. Elrold, Joh L Fortenberry Jr, 2017)

1. Management of Public Service Agencies

BLU aims to improve services to the community to advance general welfare and educate the nation's life by providing flexibility in financial management based on economic and productivity principles, and the implementation of Healthy Business Practices (Rambe et al., 2023). BLU operates as a work unit of State Ministries/Institutions for the purpose of providing public services whose management is based on the authority delegated by the parent agency concerned. State Ministries/Institutions remain responsible for the implementation of the authority delegated to the BLU and carry out the role of supervision over the performance of the BLU and the implementation of the delegated authority.

BLU is part of the tool to achieve the goals of State Ministries/Institutions and therefore the legal status of BLU is not separate from State Ministries/Institutions as the parent agency (Juliani, 2018). The Minister/Head of the Institution is responsible for the implementation of the policy for the implementation of public services delegated to BLU in terms of the benefits of the services produced. BLU services can be directed to generate benefits that support economic and fiscal stabilization. The official appointed to manage BLU is responsible for the implementation of public service delivery activities delegated to him by the Minister/Institution Leader. BLU organizes its activities without prioritizing the search for profit.

The work plan and budget as well as the financial and performance statements of the BLU are prepared and presented as an integral part of the work plan and budget as well as the financial and performance reports of the State Ministries/Institutions. BLU manages the implementation of public services in line with Healthy Business Practices. In order to realize a healthy business concept, BLU must always improve efficiency and productivity which can be in the form of the authority to plan and determine the needs of the resources needed.

BLU prepares the annual RBA with reference to the RSB at least containing programs, activities, key performance indicators, performance targets, revenue / revenue budget, expenditure / expenditure budget, estimated initial cash balance and estimated final cash balance of BLU, threshold, and forecast of the RBA for the next year. Performance targets are measurable, achievable, relevant targets with clear deadlines based on BLU's capabilities and potentials as outlined in the activities that BLU will carry out accompanied by indicators of success and budget needs. The RBA is structured based on:

a. performance basis and cost accounting calculation according to the type of service; It is prepared by paying attention to the relationship between the planned performance targets and the costs needed, including the fulfillment of funding, as well as efficiency in achieving performance.
b. the needs and capabilities of the revenue that is expected to be received consist of budget revenues sourced from the State Revenue and Expenditure Budget (Pure Rupiah); and state revenues are not BLU taxes.

The preparation of the revenue target as referred to in paragraph (8) b considers:

a. Service volume targets and service rates;
b. Service development;
c. Revenue targets and realizations of the previous 2 (two) fiscal years; and
d. Conditions that affect the achievement of revenue targets.

The BLU spending plan included in the RBA includes expenditures funded from the state revenue and expenditure budget (pure rupiah), expenditures funded from state revenues other than BLU taxes, including the use of the initial BLU cash balance. In terms of spending greater than its income, BLU prioritizes the use of the initial cash balance.

Budgeting in the RBA adheres to the Flexible Budget Pattern with a certain Threshold Percentage, but is only used for expenditure sourced from state revenues other than BLU taxes without taking into account the initial cash balance. The determination of the Threshold Percentage takes into account the target and realization of revenue/expenditure as well as fluctuations in BLU operational activities and is included in the RKA-K/L and DIPA. BLU

Citation is in the form of information or notes that provide information on the amount of the Threshold Percentage.

The analysis in the RBA considers the least aspects including:

a. Productivity, at least, includes the comparison between the results achieved (output) and the resources used (inputs), the improvement of the quality and quantity of services, the revenue target, and the ratio of human resources;
b. Efficiency, at least includes policies to optimize spending compared to service output, the proportion of operating income and
c. Operational spending, as well as the proportion per type of spending;
d. Innovation, at least including ideas/ideas to improve main and supporting services, asset optimization, the use of information technology, and blu modernization; and
e. Alignment/conformity, at least, includes conformity with RSB, conformity with the BLU Key Performance Indicator, and development priorities.

2. Planning and Budgeting Policy of the Ministry of Health

The health budget sourced from the State Budget and Regional Budget is prioritized for the benefit of public services which amounts to at least 2/3 (two-thirds) of the health budget in the State Budget and Regional Budget. The public services in question are promotive services, preventive services, curative services, and rehabilitative services needed by the community in improving their health status, which can be SMEs or UKP.

Presidential Regulation Number 72 of 2012 concerning the National Health System (SKN) states that health development planning between the central and regional governments has not been synchronized. Likewise, long-term/medium-term planning is still not a reference in preparing short-term planning. Likewise, many policies have not been prepared based on evidence and have not been synergized with both planning at the central level and/or at the regional level.

In accordance with Article 31 of Law Number 25 of 2004 concerning SPPN, it is stated that "Development planning is based on accurate and accountable data and information". Therefore, the determination of the budget allocation for each program and activity by paying attention to the results of the evaluation of the implementation of programs and activities in year t-1 and the performance targets set in year t+1. Planning and budgeting also pay attention to proposals from task forces, community aspirations, and cross-sector.

The long-term health development goal to be achieved in 2025 is to increase the degree of public health with indicators, namely an increase in life expectancy, a decrease in infant mortality rates, a decrease in maternal mortality rates, and a decrease in the prevalence of malnutrition in toddlers (Ministry of Health of the Republic of Indonesia, 2016). The health development strategy as stated in the 2005-2025 Health Sector RPJP is as follows:

a. National development with a health perspective, namely every national development program is expected to make a positive contribution to achieving the basic values of health development, namely: humanity, empowerment and independence, justice and equity, and prioritization and benefits.
b. Community and regional empowerment, namely community and cross-sector involvement in health development.
c. The development of health efforts and financing, namely the implementation of individual health services and public health services that are carried out comprehensively, integrated, sustainable, equitable, affordable, tiered, professional, and quality. The poor get guaranteed health services. The development of health efforts is carried out by utilizing health/medical technology, information technology developments, and considering epidemiological changes and globalization.

d. The development and empowerment of health human resources is the provision of professional health workers, namely health human resources who follow the development of science and technology, apply high moral values and professional ethics.
e. The management of health emergencies includes individual and community health efforts that are carried out comprehensively, mitigated, and supported by cross-sector cooperation and the active role of the community in handling health emergencies such as disasters and social conflicts.

To achieve the goal of long-term health development, development directions, policies and priorities are determined within a five-year period which is referred to in setting an annual plan. The President's vision, mission, and program are described in the National Development Plan document which contains national development strategies, general policies, programs of Ministries/Institutions, and macroeconomic frameworks including the direction of fiscal policy in the work plan in the form of regulatory frameworks and indicative funding frameworks. The policy direction and strategy for national health development are an integral part of the document.

The challenges of health development are quite heavy and increasingly complex, so it requires proper management of health development starting from planning and implementation. The Healthy Indonesia Program is one of the 5th agenda programs of Nawa Cita, which is to improve the quality of life of Indonesian people. The goal of the Healthy Indonesia Program is to improve the health status and nutritional status of the community through health and community empowerment supported by financial protection and equitable distribution of health services.

The Healthy Indonesia program is implemented by upholding three main pillars, namely (1) the application of a healthy paradigm, (2) the strengthening of health services, and (3) the implementation of health service guarantees (JKN). The healthy paradigm is a change in the mindset of stakeholders and the community by mainstreaming health in development as well as increasing promotive – preventive efforts, community empowerment through a family approach, increasing cross-sector involvement and the Healthy Living Community Movement.

Strengthening health services is intended to ensure the affordability and quality of health services. This activity is carried out by referring to 3 important things (Wicaksono & Fikri, 2018), (1) Increasing access, especially to First Level Health Facilities (FKTP), Optimizing the Referral System, improving the quality of health services; (2) Application of the approach *Continuum of Care,* and (3) health risk-based interventions.

The National Health Insurance is intended to provide health protection for all Indonesian people, both Contribution Assistance Recipients (PBI) and Non-PBI (Junianto, 2022). The policy directions of the Ministry of Health include:

a. Strengthening Primary Health Care
   Efforts made to encourage the achievement of national health development targets through strengthening primary health services include:
   1) Fulfillment of health workers through the Nusantara Sehat program with *a team-based* method.
   2) Improving the management ability of Puskesmas by improving the quality of health information systems, the quality of planning at the Puskesmas level and technical capabilities for the implementation of early detection of health problems, community empowerment, and monitoring the quality of environmental health.
   3) Puskesmas financing is directed to strengthen the implementation of promotive and preventive effectively and efficiently by maximizing the source of puskesmas financing.
   4) Development of health information systems to obtain complete, accurate, and timely data and information

5) The implementation of Puskesmas accreditation is intended to improve the quality of health services and is focused on areas that are priorities for health development.

b. Implementation of the *Continuum Of Care* Approach.
This approach is implemented through improving the coverage, quality, and sustainability of disease prevention efforts and health services for mothers, infants, toddlers, adolescents, working age and the elderly.

c. Health Risk-Based Interventions.
Special programs to address health problems in infants, toddlers and the elderly, pregnant women, refugees, and poor families, at-risk groups, as well as communities in remote, border, archipelago, and health-affected areas.

d. *Bardach typology*
There are several categories of evaluation criteria that can be used in making or deciding on recommendations for Action, including using Bardach's typology. Warsono & Ruksamin, (2014) Divide the evaluation criteria into 4 criteria, namely:
1) *Technical feasibility:* measure whether the proposed policy alternatives can technically achieve the goals that have been set.
2) *Economic and financial possibility:* How much must be incurred by each policy alternative and whether what will be produced can be called benefits.
3) *Political viability*: measures whether each policy alternative will have a politically powerful impact on certain groups.
4) *Administrative operatibility*: measure the possibility of implementing these policy alternatives from an administrative perspective (availability of human resources, finances, facilities, and time).

Policy Options

The policy choice is to revise / update the regulations that govern the planning and budgeting of BLU work units as follows:

1. Minister of Health Regulation 48 of 2017 concerning Guidelines for Planning and Budgeting in the Health Sector
The regulation regulates planning and budgeting using the State Revenue and Expenditure Budget (APBN) with funds from Pure Rupiah (RM), Foreign Loans/Grants (P/HLN), Domestic Loans/Grants (P/HDN) and Non-Tax State Revenue (PNBP), including those used for deconcentration, assistance tasks, and special allocation funds. The regulation also regulates the policy direction of the Ministry of Health, work programs and planning and budgeting procedures within the Ministry of Health. There are main problems found in the regulation, namely:
   a. Planning and budgeting policies still use the basis of health development goals in 2015-2019 so that they have not accommodated the development of the health world such as the 2020-2022 Covid pandemic which brought major changes to the health sector where the concept of *the new health economy* finally developed. The health sector is required to innovate quickly both medical and service. So that the community demands that if they are sick, they are treated immediately and the services provided are satisfactory. Just like culinary businesses are required to serve good food with good service. Services with minimally invasive techniques will be preferred in the future compared to open surgery. Likewise with innovative therapies such as targeted therapy, stem cells, gene therapy, IVF, and organ transplantation. The availability of fast services for emergency medical conditions such as stroke codes, STEMI codes, and trauma codes will be the preference of people choosing health services.
   b. It has not yet contained the implementation of the transformation of the health sector which aims to accelerate the health development program as stated in the Regulation of the Minister of Health Number 13 of 2022 concerning the Strategic Plan of the

Ministry of Health for 2020-2024.

c. The rules regarding planning and budgeting have not regulated the pattern of planning and budgeting of BLU work units that have specificity in their management.

2. Provisions for the use of threshold funds for work units of Public Service Agencies as stated in Government Regulation No. 23 of 2005 concerning Financial Management of Public Service Agencies, and Regulation of the Minister of Finance No. 129 of 2020 which has been amended by PMK No. 202 of 2022 concerning Guidelines for the Management of Public Service Agencies which states the existence of a threshold percentage, namely the amount of the percentage of expenditure realization that is allowed to exceed the budget in the DIPA BLU Citation and It is emphasized by the Regulation of the Director General of Treasury number Per-2/PB/2022 concerning Technical Guidelines for the Preparation of Business Plans and Budgets of Public Service Agencies that:
   a. The Flexible Budget pattern is only used for spending sourced from BLU non-tax state revenues and BLU grant revenues.
   b. The Threshold Percentage as intended in paragraph (1) is calculated without taking into account the initial cash balance.
   c. The determination of the Threshold Percentage as intended in paragraph (1) takes into account the target and realization of revenue/expenditure as well as fluctuations in BLU's operational activities.
   d. The percentage of the expenditure threshold as intended in paragraph (1) is listed in the RKA-K/L and DIPA of BLU Citation.
3. Improving governance through the Preparation of Hospital Business Strategic Plans
   The Hospital Business Strategic Plan is a hospital planning document that is prepared based on the policy direction of the Ministry of Health for the next 5 years. The things that Peru stipulates in the planning document so that it can create an ecosystem of services that can support service needs in order to meet the needs of the community are:
   a. Improvements to hospital governance include
      1) Improvement of service infrastructure,
      2) Improving patient experience such as improving service waiting times, digitizing services in order to improve service efficiency
      3) Hospital supply chain improvement to support hospital operations
      4) Improving the quality of clinical services in hospitals
   b. Increased hospital participation in the control of catastrophic and high-cost diseases such as heart, cancer, Diabetes Mellitus, uronefro, liver, stroke/brain, Maternal and Child Health, Tuberculosis, and emerging infectious diseases.
   c. Development of clinical research to support service development.
4. Bardach Policy Evaluation

From the three policy options, an evaluation will be carried out which will determine which policy choices will be the policy recommendations of this study. The policy evaluation criteria that will be carried out include three criteria and weighting, namely:

a. *Technical feasibility:* measures whether the proposed policy alternatives can technically achieve the goals that have been set.
b. *Economic and financial possibility:* how much must be incurred by each policy alternative and what will be produced can be called utility.
c. *Administrative operability*: measures the possibility of implementing the policy alternative from an administrative perspective (availability of human resources, finances, facilities, and time).

The analysis carried out on the three policy options is as follows:

Table 2. The Analysis Carried Out on The Three Policy Options

It	Policy Options	Technical Feasibility	Economic and Financial Possibility	Administrative Operability	Total	Rank
1	Changes in Planning and Budgeting Policy at the Ministry of Health	5	3	5	13	1
2	Changes to BLU spending threshold policy	4	4	4	12	2
3	Improving hospital governance through improved planning	3	3	3	9	3

CONCLUSION

Based on the results and discussion of the research, it can be concluded that there is an urgent need for reform in health service policy and management in Indonesia, especially related to the Public Service Agency (BLU) and Vertical Hospitals. The three main policy options recommended are planning and budgeting policy changes at the Ministry of Health, which are considered the most feasible with a total score of 13, and are expected to create a responsive and efficient health system. Furthermore, changes to the BLU spending threshold policy, which ranks second with a total score of 12, are needed to increase flexibility and efficiency in fund management. Lastly, improving hospital governance through planning improvements, despite getting the lowest rating with a score of 9, is still important to ensure high quality of service. Overall, the implementation of this policy recommendation is expected to improve the accessibility, quality, and sustainability of health services in Indonesia, as well as reduce health disparities between regions.

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