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FOREWORD

The health status of the population serves as an integral indicator of the general state of society, an important component of the country's human capital. By shaping public health and influencing the potential of the workforce employed in all spheres of the national economy, healthcare provides services to other sectors of the national economy and society that largely compensate for the negative consequences of their functioning.

The reform of healthcare in Ukraine requires a change in the basic principles of management in the field of healthcare. Along with administrative influence, the legal and economic independence of healthcare entities is expanding competition in the process of resource allocation is increasing.

Public health management in Ukraine is a complex task of the entire Ukrainian society, which involves many sectors of the national economy and management structures. The implementation of modern transformations in the healthcare system involves the use of special management and marketing methods, taking into account the specifics of medical services. In any case, the modern healthcare system considers medical organizations as, firstly, specific economic entities endowed with all the basic financial and economic rights and obligations, and, secondly, as independent participants in market relations, taken in all their complexity and contradictions, and at the same time taking into account all the specifics of healthcare.

So, learning the basics of management and marketing in healthcare is a necessary element of training highly professional personnel for the healthcare management system.

The training manual consists of two sections.

The first section "Management in Healthcare" is devoted to the basics of management in healthcare; problems of personnel management of healthcare institutions and remuneration; opportunities for financing healthcare; the basics of strategic management in healthcare.

The basic concepts of management in healthcare are considered as a scientifically based management process, in particular, at the micro-level: healthcare institutions of public and private ownership, and at the macro – level: national health systems. The basic principles of personnel management in healthcare institutions, the specifics of personnel policy and recruitment in medical institutions,

the basics of remuneration in healthcare, basic forms and systems of remuneration of medical personnel and motivational mechanisms of medical personnel management are given. The essence of financial and economic relations and processes in healthcare, the financial environment, the main models and systems of healthcare financing are presented. The basic principles and basic concepts of strategic management in healthcare, the features of strategic planning of healthcare institutions are described.

The second section “Marketing in Healthcare” is devoted to the basics of marketing in healthcare; issues of comprehensive market research in the healthcare marketing system; pricing issues in healthcare; issues of strategic marketing in healthcare and the basics of strategic analysis.

The basic concepts of marketing in healthcare, the functioning of the medical services market and the directions of marketing research, the prospects for the use of medical marketing in healthcare are considered. The features of a comprehensive market study in the healthcare marketing system, the possibility of using marketing models and the features of positioning medical services in the market are presented. The basics of pricing in healthcare are considered, in particular, the emphasis is placed on the structure of the price of medical services and the features of pricing in healthcare at the state level. The basic fundamentals and basic concepts of strategic marketing in healthcare are given. The emphasis is placed on marketing strategies in the healthcare management system and the process of their development. The features of strategic marketing planning based on the technologies of strategic analysis and marketing business planning in medicine are considered.

The training manual is intended for applicants of higher education and teachers of medical specialties of institutions of higher education.

Also, the material of the training manual can be useful to a wide range of users interested in studying management and marketing in healthcare.

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SECTION 1

**MANAGEMENT
IN HEALTHCARE**

1.1. FUNDAMENTALS OF MANAGEMENT IN HEALTHCARE

1.1.1. Basic fundamentals of healthcare management

1.1.2. Management in healthcare institutions

1.1.3. Management of national healthcare systems

Control questions

Tests

Situational tasks

1.2. PERSONNEL MANAGEMENT OF HEALTHCARE INSTITUTIONS. FUNDAMENTALS OF REMUNERATION IN HEALTHCARE

1.2.1. Basic principles of personnel management in healthcare institutions

1.2.2. Personnel policy in healthcare institutions

1.2.3. Features of the selection of medical personnel

1.2.4. Evaluation and certification of doctors

1.2.5. Forms and systems of remuneration of medical personnel

1.2.6. Motivational mechanisms of medical personnel management

Control questions

Tests

Situational tasks

1.3. FUNDAMENTALS OF HEALTHCARE FINANCING

1.3.1. The essence of financial and economic relations in healthcare

1.3.2. Basic fundamentals of efficiency in healthcare

1.3.3. Financial resources of healthcare institutions

1.3.4. Healthcare financing models and systems

Control questions

Tests

Situational tasks

1.4. FUNDAMENTALS OF STRATEGIC MANAGEMENT IN HEALTHCARE

1.4.1. Basic fundamentals of strategic management in healthcare

1.4.2. Basic concepts in strategic management in healthcare

1.4.3. Strategic planning of healthcare institutions

Control questions

Tests

Individual work

**RECOMMENDED LITERATURE TO SECTION 1
“MANAGEMENT IN HEALTHCARE”**

FUNDAMENTALS OF MANAGEMENT IN HEALTHCARE

- 1.1.1. Basic fundamentals of healthcare management.
- 1.1.2. Management in healthcare institutions.
- 1.1.3. Management of national healthcare systems.

1.1.1. Basic fundamentals of healthcare management

Management as an activity has existed throughout the history of mankind. We can say that management was from the moment when people had a need to work together. A certain form of managerial activity appeared when it was necessary to collect taxes, to create an army, to feed people who did not produce food themselves.

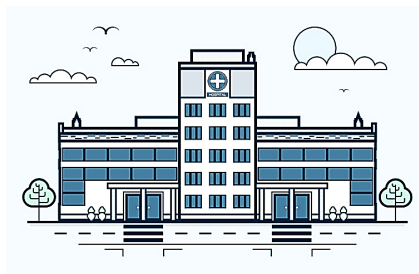
Management relationships in medicine occur at the following levels:

- *macro-level:* at the level of public administration (the national level of the legislative and executive branches of government), regional, local, sectoral, departmental levels, that is, at the level of administration of the country's healthcare system;
- *micro-level:* at the management level of a separate medical institution (medical institutions, insurance companies, public organizations, health insurance funds).

In the management of the health care system, it is necessary to distinguish:

- administration of healthcare;
- management of medical institutions.

Most experts believe that the definitions of “administration” and “management” are synonymous, but their content is different – both taking into account micro- and macroeconomic approaches.



Therefore, researchers believe that it is more appropriate to use the term “administration” for the macro level, and the term “management” for the micro level.



Management as a general concept can be interpreted:

- on the one hand – as a process of influencing someone or something;
- on the other hand – as a system of managing subjects, objects of management and management actions.

Management in healthcare as a macro system is the science of management, regulation and control of financial, labor and material resources by health authorities and institutions.

The goal of management in healthcare is to reduce the losses of society from morbidity, disability and mortality of the population with available resources.

The task of management in healthcare is to effectively achieve the goal by improving the quality of medical, diagnostic and preventive measures and rational use of healthcare resources.

The object of management in healthcare is a medical institution (medical enterprise, institution, clinic, etc.).

The entity of management in healthcare is the management apparatus, management bodies (for example, the Ministry of Health, Chief Physicians, Heads of Departments, Heads of Clinics, etc.).

Management in healthcare, as a microsystem, is the administration of a medical institution directly as an independent financial and economic unit.

Management in medicine can be viewed from two positions:

1. On the one hand, management in medicine is the process of influencing material, labor and financial relations (material, labor and financial resources), their organization for



the implementation of the economic and social policy of a medical institution.

2. On the other hand, management in medicine is the totality of all the organs of the management apparatus of a medical institution and their managerial actions.

Management is determined by the principles, methods, functions and goals of administration.

Management principles (general classification):

1. Organizational, coordination and operational principles aimed at activating and strengthening the motivation of each employee and the entire team. Among them: power and responsibility; unity of command; unity of leadership; centralization; linear management; order; stability; initiative, etc.

2. Development principles aimed at optimizing relationships and improving the effectiveness of collective activity. Among them: discipline, fairness, subordination of individual interests to common ones, cooperative spirit, constancy of staff, remuneration, etc.

3. Principles of increasing the style, authority, and representation of the institution.

Management methods (general classification):

- organizational and administrative;
- economic and household;
- legal;
- socio-psychological.

In addition, management methods include: methods of reinforcement and stimulation; methods of regulating behavior; methods for optimizing the labor process and increasing employee responsibility; methods for developing employee initiative and improving individual skills.



Management functions are determined by the level of the administration system.

The administration system of any object has three levels:

- *strategic* – at this level, goals and possible results in the future are determined;
- *tactical* – this level allows you to optimally define specific tasks, organization, step-by-step execution and control of results;
- *operational* – this level ensures the effective implementation of production actions with a good implementation of available resources

(for example, accounting, control and analysis of the activities of already functioning structures).



Management functions (general classification):

1. The first function includes the study of the situation, the collection and processing of information (analysis of the current situation).

2. The second function involves making a decision on preliminary calculations or transformations of information. After receiving comprehensive, complete, reliable and timely information (data on the actual condition of the object), a management decision is made and planning for its implementation is carried out.

3. The third function is to organize the implementation of the decision by ordering forces and means, debugging the necessary production links and monitoring its execution (preliminary, guiding, filtering, final control).

Each component of the management of the health care system, carried out at different levels, is characterized by activities for the development, adoption and implementation of administration decisions. This requires the use of management technologies (methods, forms, tools for development and decision-making).

Management technologies (general classification):

1. *Management technologies of healthcare administration*, which include: development of State, regional and municipal health policy; selection at the State level of the health care model and its legislative,

regulatory, personnel, organizational, financial, information support; development of State policy of reforming the health care system; development of the State policy of remuneration of medical workers; development of the State policy of training of medical workers, their certification, professional development, licensing; standardization of medical services; optimization of the network of healthcare institutions, including State medical institutions; regulatory and legal regulation of the resource provision of healthcare institutions;

