ROLE OF ACCOUNTING AT THE GOVERNMENT HOSPITAL POST STATUS PUBLIC SERVICE AGENCY (BLU) AND INDONESIAN ADOPTION CASE BASED GROUPS (INA-CBGS): CASE STUDIES ON SEJAHTERA HOSPITAL

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Abstract - This study aims to discuss the role of accounting in Sejahtera Hospital BLUDs status and adoption of post-CBGs INA. The role of accounting in the hospital reflected accounting innovations and strategies in response to INA-CBGs. To that end, the focus of this study is to look at accounting innovation efforts and strategies to respond to INA-CBGs performed Sejahtera Hospital management. The method used in this research is qualitative method with case study approach. Source data comes from sources (informants) were selected based on certain criteria (purposive sampling). Data collection techniques in this study is the instrument interview. Type of interview is semi-structured interviews. The results of this study reveal that the role of accounting in Sejahtera Hospital has increased especially after the change in the payment system hospitals namely, INA-CBGs. Meanwhile, the change of status into BLUDs it does not impact directly on the changing role of accounting. Changes in accounting roles in Sejahtera Hospital reflected their innovation efforts undertaken by the management accounting involving medical personnel, especially doctors specializing in accounting practices. The medical specialists have been asked to calculate the unit cost of each medical services by using Activity Based Costing (ABC). In addition, doctors have also been asked to be more concerned about controlling the cost of medical care in order not to exceed the rate-CBGs INA.

Keywords - Role of Accounting, BLUDs status, and Adoption INA-CBGs.

I. INTRODUCTION

Indonesia's total public expenditure on health have increased four-fold from about Rp. 9.3 trillion in 2001 to Rp. 31 trillion in 2007 (Yavuz, 2008). Of the total expenditure on the health sector 60 percent is used for financing the hospital. This is a high figure when compared to Canada which is only 29 percent, and the countries in Western Europe are less than 40 percent (Langenbrunner, 2015). Due to increasing health spending especially hospital financing, the Indonesian government to continue to apply the principles of economy and efficiency (Fahlevi, 2014).

The Indonesian government is required to work hard in the hospital's independence and streamline hospital financing. Efforts independently hospitals have been conducted since 2004 by introducing the concept of Public Service Agency (BLU) to institutions under the central government and the Public Service Agency (BLUD) for agencies under the local government. Expected status BLU/D hospital capable of independent financial management and does not depend on government subsidies.

Meanwhile, efforts to streamline government hospital financing are done by consolidating and integrating some insurance funds under management BPJS. BPJS as a single payer health care is expected to be more effective and equitable with minimal administrative expenses. BPJS implement a payment system INA-DRGs (Diagnosis Related Groups Indonesian) or now known as INA-CBGs (Indonesian Case Based Groups) which replaces the system of payment of fee for service. In the new system, hospitals are paid at the same rates based on the diagnosis / patient case regardless of differences in the cost and duration of hospital services to patients. As a result, the hospital can suffer a great loss if the cost is spent to treat patients greater than the rate offered by the government (Fahlevi, 2014).

Changes in hospital funding system are demanding change in the role of accounting in the hospital (Fahlevi, 2014). The tendency of the changing role of accounting in the hospital does not only happen in Indonesia, but also has occurred in many countries around the world. For example in the UK, according to Malmmose (2012) NHS Trust Hospital has successfully implemented the principle of efficiency by increasing the role of accounting and optimize health care to apply the concept of New Public Management (NPM). It is also common in Australia, the USA, Germany and some other countries such as Thailand, Kyrgyzstan and Poland.

This study aims to discuss the role of accounting in government hospitals after BLUDs status and adoption of INA-CBGs. Stages in the writing of this journal begins with; First, a discussion of the theory and literature relevant to this study. Second, explain the methods used in this study. Third, the discussion of the results found in the study and discussion. Fourth, conclusion and suggestions for the implementation of accounting at the hospital.

II. LITERATURE REVIEW

2.1.Indonesian hospital reforms

BLU is within the government agency set up to provide services to the community in the form of supply of goods and/or services sold without priority for profit and in conducting its activities based on the principles of efficiency and productivity (PP, 23; 2005). Meanwhile, BLUDs is the regional work units (SKPD) or unit of work on local work units within local government that was formed to provide services to the community in the form of supply of goods and/or services sold without priority for profit and in conducting its activities based on the principle efficiency and productivity (Permendagri, 61; 2007). According to Regulation 23 of 2005, there are three main pillars namely improvement of public services, flexibility of financial management and good governance. These pillars are expected to provide an opportunity and responsibility to the management of the hospital to set up their own institution and use the budget efficiently and effectively in a manner so that performance can be improved (Waluyo, 2011).

The more recent reform is the adoption of Indonesia Case Based Groups (INA-CBGs). The INA-CBGs is a payment method used prospectively BPJS to pay or replace the hospital claims in the era JKN.INA-CBGs is a payment system with a "package" in accordance with the patient's illness (Humaidi, 2014). Rates are meant shaped package includes all the components of hospital costs. INA-CBGs costing based on the data and coding diseases which refers to the International Classification of Diseasis (ICD) prepared by WHO.

Implementation of INA-CBGs is part of the ratification of the Social Security (National Social Security System) in 2004 and BPJS which aims to accelerate the implementation of universal coverage Indonesia. This system has been adopted gradually in a public hospital in the last 5 years and became the main hospital payment system in 2014 (Fahlevi, 2014).

2.2. Contingency Theory Approach

Jones (1985) in Fahlevi (2014) confirm that the proponents of the contingency theory assumes that the design of the accounting including the adoption of accounting techniques is strongly influenced by environmental changes, technological, organizational structure, and strategy. Therefore, changes in accounting can be seen from the organization's response to the changes. Recent evidence has shown that the system of DRGs has increased the role of accounting in the hospital.Based on the contingency theory approach, Raybun (1991) in Fahlevi (2014) has shown how the role of accounting in the hospital has increased after the introduction of DRGs based provider of health care reform in hospitals in the United States. The bottom line is the contingency theory approach can be used to describe the changing role of accounting in government hospitals as a result of the change in the hospital financing system.

The changes in accounting roles in hospitals characterized by innovations of accounting at the hospital. Innovation accounting in the hospital can be classified into three parts: (1) Increasing the role of accounting in the hospital from becoming accounting accounting financial reporting as charge controllers; (2) The use and development of accounting techniques are more complex as the use of Activity Based Costing (ABC). Using the ABC method in accounting information systems costs are instruments accounting most widely used by hospitals in Germany compared to engineering management control such as Balanced Scorecard is not much used by hospitals (Berens et al., 2011); and (3) the involvement of medical personnel in the practice of accounting and cost control in hospitals (Fahlevi, 2014).

III. RESEARCH METHOD USED

This study used a qualitative method with case study approach. The use of qualitative method with case study approach is intended to explain the changing role of accounting in government hospitals after BLUDs status and adoption of INA-CBGs. The data in this study come from sources (informants) totaling 10 people, were selected based on certain criteria (purposive sampling). Informant interviewed with this type of semi-structured interviews. Data collection period began in June 2016 and ended in December 2016. All interviews were recorded and transcribed back to the time duration between 30 to 60 minutes per person. On average informants interviewed one but there are two and three times.

Sejahtera Hospital is one of the regional work units (SKPD) with its main function as a support services element implementation of regional health center. This hospital serves patients in general and patients by the National Health Insurance (JKN). Services provided in the form of health care outpatient clinic and emergency department and inpatient services with major facilities totaling 285 beds and other supporting facilities, laboratories, radiology and endoscopy. The number of specialist doctors is 26, 26 general practitioners and dentists 2 (Sejahtera Hospital Profile: 2015).

RESULTS AND DISCUSSIONS

4.1Innovation and Increasing Role of Accounting in Sejahtera Hospitals

Director of Sejahtera Hospital explained that since the change in the payment system hospitals, innovation accounting already begun to do with the involvement of medical personnel, especially doctors in the accounting process and the use of Activity Based Costing (ABC) in the calculation and

increasing the role of management accounting in cost control in this hospital. Similar opinion were expressed by the head of the finance department Sejahtera Hospital, that;

The hospital has formed a special team capitation fund manager or fund the claims of BPJS. The team, consisting of specialists and members of the finance department employees.This team is doing the calculation unit cost and design a financial system that is sufficient to control the cost of each unit (M.02).

Statement of director and chief financial officer Sejahtera Sejahtera Hospital shows that hospitals have made efforts with the accounting innovation; (1) involving medical personnel, especially doctors specializing in accounting activities such as analyzing the costs of health services in each unit by calculating the unit cost; (2) The use of new accounting methods such as the use of the ABC method in the calculation; (3) their efforts to control costs by designing adequate accounting information system.

The involvement of specialist doctors are in the process of calculating the unit cost in Sejahtera Hospital is an important effort in the development of accounting in the hospital. A specialist at the Hospital Welfare explained that: "The reason for conducting unit cost calculation is due to the changing demands of the hospital payment system and as an effort tostreamline hospital costs". Thus, the INA-CBGs has pushed the hospital management to undertake innovation efforts to increase the role of accounting and accounting. This condition is in accordance with the contingency theory, that in desperate condition, an organization will make certain changes to adapt to the changes. In summary, INA-CBGs the one who motivates management to innovate and increase the role of accounting in the hospital. Meanwhile, the status of BLUDs it had no direct effect on the innovation of accounting and improving the role of accounting in the hospital. Hospital Director Rose explained that;

The consequence of the change of status into BLUDs is the independent financial management ... .Status revenues do not have a direct impact on innovation and increasing the role of accounting in the hospital. However, because of the time span BLUDs status changes and payment system changes ….both of these changes seems to be a driving factor in the innovation hospital accounting (M.01).

Furthermore, specialists became chairman of the capitation fund management team explained that the use of the ABC method in calculating the unit cost is quite complicated and detail, he confirmed that;
Use of the ABC method in calculating the unit cost is quite complicated and detailed. One example is the distribution of indirect costs (support costs). In the traditional method or methods used to do in the hospital, the distribution of indirect costs is done by dividing the price by assuming all cost objects consume resources in the same amount. But in the ABC method of distributing indirect costs is based on the activity or in other words do not assume all the cost objects consume the same resources (D.01).

Differences ABC method with traditional methods previously applied further explained by the head of the financial section, that prior to the implementation of INA-CBGs rates, charging indirect costs (support costs) such as; the cost of electricity, the cost of consumables and office operating expenses, etc. charged to each unit in equal portions. Then each unit also charge these costs to each of the patients in equal portions. So, no matter whether a patient will spend more resources or not. Because all the costs will be reimbursed by the insurance company.

After INA-CBGs rates apply to all patients, the imposition of indirect costs carried by the ABC method based on activity in each unit. The greater use of the resources unit, the greater the indirect costs charged to the unit. Similarly, the imposition of indirect costs to the patient, the longer the period of treatment of these patients, the greater will be the imposition of indirect cost to him. Therefore, since the adoption of INA-CBGs doctors also tend to shorten the hospitalization of patients. Furthermore, the head of the finance department of the Hospital Welfare explained that;

Currently, besides there recapitulation reports the cost of each unit, there are also reports of distribution of support costs (indirect costs) to the main costs (direct costs) in each unit. In the report the distribution of such costs are charged nominal fees, such as fees BHP (Goods Consumables) different values between units. This happens because the loading or distribution of these costs is based activity in every unit installation (M.02).

Since changes in hospital payment system through the INA-CBGs, financial condition of the hospital continues to strive to increase efficiency and control health care costs. Accounting their innovation efforts and strategies to respond to INA-CBGs as described in the previous section is a real step performed by the hospital management Sejahtera in controlling costs and improving the efficiency of health services. Sejahtera Hospital Director explained that;
During this time only serves as a means of accounting financial reporting. But after changes in hospital payment system with the INA-CBGs, I think the role of accounting is very important because we need accounting information to process the payment of medical services and control operational costs. The important role of accounting is in identifying

problems and potential loss. Compared with the prior application of INA-CBGs, now I have more receiving accounting information (M.01).

An important point in the director's explanation is the role of accounting in the current hospital has increased. During this time accounting in the hospital only serves as a means of financial reporting. However, after a change in hospital payment system, the role of accounting increased to a means of controlling costs.

Explanation of the medical specialists indicates that there has been an increase in the role of accounting in the hospital after hospital payment system changes. The increasing role of accounting has been documented, especially in terms of controlling the cost of health care in hospitals. In addition, doctors have also been asked not to care about health care, but also care about the health care costs of patients.

CONCLUSIONS ANDRECOMMENDATIONS

The role of accounting in Sejahtera Hospital has increased after a change in the payment system hospitals namely, INA-CBGs. Meanwhile, the status of BLUDs it has no direct effect on the changing role of accounting in the hospital. The accounting change is marked by innovation efforts undertaken by the management accounting with the involvement of medical personnel, especially doctors specializing in the accounting process in Sejahtera Hospital. The medical specialists involved in calculating the unit cost of each medical services by using Activity Based Costing (ABC). In addition, doctors have also been asked to control the cost of medical services to control the behavior of medical and support facilities for the use of health services. However, the accounting innovation efforts certainly not free from the constraints faced such as: system constraints, financial constraints, regulatory constraints, constraints of accounting standards, and the constraints of the limited number of human resources. In short, the role of accounting in hospitals has increased notably in controlling medical costs in Sejahtera Hospital.

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