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### **RESEARCH ARTICLE**

#### **THE ESSENCE OF DECENTRALIZATION ARRANGEMENT IN THE LOCAL GOVERNMENT: A REVIEW IN THE FIELD OF HEALTH**

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#### **Abstract**

Decentralization in the field of health can be interpreted as a devolution of responsibility of the central to the local government. Decentralization in the field of health is intended to implement better health services based on the aspirations and interests of the society, and the distribution of health services. This research was conducted in South Sulawesi province, Indonesia. The type of research in this paper was a normative research. The results of the research shows that the role of government in health is realized in several aspects: finance, services and provision of social insurance. Delegating authority to the local government should be conducted in a fair, democratic, equitable, and taking into account the peculiarities of each region. The authority of local governments in managing natural resources, including in the management of oil and gas should be accommodated fairly.

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#### **Introduction:-**

Government is the personification of state to do tasks as stipulated by law. Therefore, the implementation of Indonesian government both at central and local levels should be oriented towards achieving the objectives of the country. On a practical level, the central government cannot make policy or program that is similar for every region in achieving the expected goals. Therefore, through decentralization, it is expected that the respective governments in each region can overcome its problems, and give priority to the things that are important to develop. Each region is certainly much better knowing the available potential to be developed to meet the desires or expectations of society.

Based on the general provisions of Article 1, figure 6 of Act No. 23 of 2014, it was determined that regional/local autonomy is basically the rights and obligations and the authority for the autonomous regions to set up and take care of its own region, both in the field of government and the interests of society. Meanwhile, decentralization is the devolution of government power by the central government to autonomous regions to set up and administer governmental affairs in the Unitary State of the Republic of Indonesia.

Decentralization in the field of health can be interpreted as a devolution of responsibility in planning, decision-making, development and utilization of resources and the administrative authority of the central government to the government at a lower level in a hierarchical of administrative political or territorial. Decentralization in the field of

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health is intended to implement better health services based on the aspirations and interests of the society, and the distribution of health services.<sup>1</sup> It is expected to be realized the health status as investment for the development of human resources productively, socially and economically as well as one element of the general welfare.

Decentralization policy of health service should be intended to improve community health status evenly throughout Indonesia. With the decentralization policy in the field of health, there is flexibility for local governments to carry out the maintenance or management on their own initiative, creativity, and community participation in developing and promoting health in their respective regions. The implication of this policy is the district/ city (government, representatives, and the community) shall plan and formulate its own program of health development in the region without waiting decision from top level.

The implementation of decentralization based on regional autonomy has given great expectation for local governments and optimistic can change things for the better. Natural resources and regional economic potential can be managed and utilized for the benefit of the region in general, including in efforts to improve public health status. Thus, amid optimism arise assumption, that central government has not been fully able to grant autonomy to the government in the region. In line with Bagir Manan's opinion, that in the level of implementation, autonomy has never been implemented as appropriate. Then, he argued that the central government and legislative remains shaky and insincere care in formulating and running a real sense of autonomy with a variety of justifications.<sup>2</sup>

Decentralization policy in the field of health targeted toward improving the welfare of people in the region. Local government will be more flexibility for developing and promoting public health in their respective regions, so that health care will become better. However, there are problems that the implementation of decentralization in the field of health has not been able to improving health services as expected by communities. Health services tend to be unfair for certain people. General patient, its service was excellent and fast, while for patients with government health insurance (Jamkesda or Health BPJS), the service is minimal and very bureaucratic. Besides that, the type of drugs given to patients generally is generic drugs and its quality tends to be doubtful.

The problem as stated above occurred in various regions in Indonesia, including in South Sulawesi. Members of the Committee III of DPD RI in the Electoral District of West Sulawesi, H. Syibli Sahabuddin assess the implementation of regional autonomy that is triggered by the central government, its implementation has not maximum as the expectations of the people in the region. According him, in the study of DPD RI found many laws that once approved in DPR RI cannot be implemented in the region, because it does not accommodate and empower local interests. And then, ratified law by DPR RI is often not relevant to the regional interests.<sup>3</sup> In essence, the enacting of local autonomy aims to strengthen the role of local government, so the central government can concentrate on its role on the global level, but the phenomenon in the field suggests that the role of local government is still not release of the shadows of central government.

As described above, it is understood that although the decentralization and region/local autonomy have given great hope to every region in Indonesia, especially in South Sulawesi, but there are still many problem that need further study, so that any problems that arise can be addressed properly. The implementation of regional autonomy until today remains a study for academics and practitioners of government. Indonesian state still continued to seek the most appropriate form in terms of decentralization and local autonomy.

### **Method of Research:-**

This research was conducted in South Sulawesi province. Determining of site in this research is based on the consideration that South Sulawesi is the largest province in the eastern part of Indonesia. The type of research in this paper is normative-juridical, so this research is conducted qualitatively by focusing on the library research. Legal materials have been obtained from the result of research inventoried, then grouping or categorization and then

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<sup>1</sup> Zuhri, M., & Basri, B. (2016). The Implementation of Right-Fulfillment to the Health Care in Achieving the Millennium Development Goal (MDG'S). *Hasanuddin Law Review*, 2(1), 75-88. doi:<http://dx.doi.org/10.20956/halrev.v1i1.215>

<sup>2</sup> Bagir Manan. 2004. *Menyongsong Fajar Otonomi Daerah*, Pusat Studi Hukum UII, Yogyakarta. Pages. 27-29

<sup>3</sup> Antara News. 2011. "DPD: Pelaksanaan Otonomi Daerah Belum Maksimal." <http://www.antara-sulawesiselatan.com/berita/33976/profil-antara>. Downloaded on 6 July 2014

analyzed using qualitative analysis techniques with the normative approach to interpret the legal materials descriptively.

## Analysis and Discussion:-

### Ideal Concept of Decentralization:-

Decentralization is considered as a formula that can solve the problem of the relationship between central and local government. Decentralized government is seen as a system that can restore power to the lower part of a social system. In this respect, decentralization as a system of government implies a democratic form of government. Decentralization is also one way that can be done to division of power. The division of power can theoretically be done in 2 (two) ways, namely capital division of power and areal division of power. Capital division of power is division of power in accordance with the teachings of *trias politica* from Montesque, which divides the power into the power to implement laws (executive power), the power to make laws (legislative power) and the judicial power. While areal division of power can be done in 2 (two) ways, namely the decentralization and deconcentration.

At the concept level, decentralization is complex. Decentralization has many meanings. Definition of decentralization begins from deconcentration, delegation, devolution, including privatization. Dennis A. Rondinelli recognizes the diversity aspects of the review of decentralization. According to Rondinelli in terms of shape, decentralization, divided on functional and areal decentralization.<sup>4</sup>

Functional decentralization creates special autonomous governance at the local level because it administers a specific function. Associated with the function, if the territorial decentralization assumes multifunctional characteristics within the scope of its services, while the functional decentralization, the institutions set up to carry out specific functions and create special institutions in a particular service area. On territorial decentralization, setting limits is a region, by accepting the devolution of power to control and manage the region (autonomy). While in terms of functional decentralization, setting limit is the type of function, which occurred about devolving power to regulate and manage a specific function.

Another understanding related to the design of decentralization is symmetric and asymmetric decentralization.<sup>5</sup> The presence of asymmetric decentralization theme based on the consideration that a country should have an administrative framework that able to managing all local diversity, both reflected on the background of the socio-cultural, economic potential, the administration needs to that expressed in certain political demands. Although most experts/authors argue that autonomy already implies specificity.<sup>6</sup>

According to Charles Tarlton,<sup>7</sup> the main distinguishing between symmetric and asymmetric decentralization are conformity and commonality level in a government in relation between the central and local governments. Symmetrical pattern is characterized by the presence of symmetrical relationship between each region and the central government based on the number and weight of the same authority. Whereas in asymmetric pattern, one or more units of local government have a degree of authority and autonomy are different. It is characterized by non-uniform arrangements between local authorities.

As mentioned above, based on some notion of decentralization, it shows that decentralization issue is a matter of governmental authority. The concept of authority, a central matter in decentralization and is core element in the implementation of governmental. Government authorities are divided equally and evenly in each region will bear symmetrical decentralization, whereas if the authorization is not evenly divided, so that there is one or several regions have a degree of authority and autonomy that is different from other areas will bear asymmetric decentralization.

<sup>4</sup>Dennis A.Rondinelli, "Government Decentralization in Comparative Perspective: Theory and Practice in Developing Countries", International Review of Administrative Sciences, 1980, Vol. 47, Pages.137-139

<sup>5</sup>Pratikno, 2010. *Desentralisasi Asimetris di Indonesia: Praktek dan Proyeksi*. Yogyakarta: JPP Fisipol-UGM and Yayasan Tifa, pg. 54-55.

<sup>6</sup> This case related to the emergence of movement in the region that responded by central through giving special status for the region. Safri Nugraha et al., 2005. "Laporan Akhir: Pemahaman & Sosialisasi Penyusunan RUU Tata Hubungan Kewenangan Pemerintah Pusat dan Daerah", Kemen-PAN RI & PKPADK FISIP UI, Jakarta. pg.12.

<sup>7</sup>Charles D. Tarlton, "Symmetry and Asymmetry as Elements of Federalism: A Theoretical Speculation", Journal of Politics, Vol. 27, No. 4 (Nov., 1965), Pages. 861-874

Decentralization including applicable in special areas is the realization of state policy in order to organize and divide the authority of local government.<sup>8</sup> The relationship of decentralization and autonomy starts on the formation of autonomous regions and devolution of authority as the two core things. Whereas, Rondinelli see differences in the understanding of decentralization and formulate that meeting point is the definition of decentralization as the delegation of authority.

Based on description above, it is understood that the fundamental concept of decentralization is related to the attempt to divide the central governments' authority, which is then delegated or assigned to local governments. In other words, decentralization is an attempt to change the model of government that first is centralized become more democratic by delegate part of its authority to the regions. The delegation of authority from the central government can be done either through deconcentration, delegation or devolution.<sup>9</sup> Shape or model of delegated authority from central to local government can be done either symmetrical or asymmetrical.

#### **The Role of Local Government in the Field of Health:-**

Health is one support element for public welfare that must be realized by the local government in accordance with the mandate of the Preamble of 1945 Constitution. Therefore, efforts to improve public health and the implementation of government affairs in the field of health to be one of the main program of the Provincial Government of South Sulawesi. To support programs in the field of health, then according to the Domestic Ministry Circular No. 903/2706/SJ that amount of funds have been budgeted by the Provincial Government of South Sulawesi each year. For more details, the amount of health budget in South Sulawesi provincial in fiscal year 2009-2015 as shown in tables 1.

**Table 1:-** Amount of health budget In South Sulawesi of the Fiscal Year 2011-2015

No	Description	TA 2011	TA 2012	TA 2013	TA 2014	TA 2015	Average
1	Health Budget	494,43	538,36	633,26	697,95	669,64	606,73
2	Percentage	14,60	11,04	11,88	11,95	10,86	12,06
3	Total Local Expenditure	3.385,71	4.877,55	5.330,07	5.839,37	6.167,11	5.119,96

\* In Billion Rupiah

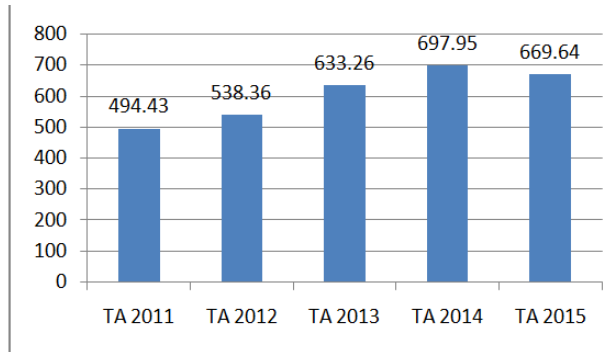
Source: Local Government of South Sulawesi Province, 2015

Based on the table, it appears that average of budget allocation in the field of health for South Sulawesi province in the last five years i.e from 2011- 2015 is Rp.606.73 billion. While, the average of total expenditure in the last five years, i.e from 2011-2015 is Rp.5.119.96 billion. If compared between total health budgets every year to total local expenditure in the same year, the average percentage amounted to 12.06%. This shows that the amount of the health budget is an average of 12.06% of the total state budget in the last five years.

If viewed in terms of the trend, it appears that the amount of the health budget each year, from 2011-2015 are likely to increase, but if viewed in terms of percentage in comparison with the total state budget every year from 2011-2015, the percentage of health budgets tend to decrease. For more details, it is shown in Graph 1.

<sup>8</sup>Muin Fahmal, 2008. *Peran Asas-Asas Umum Pemerintahan yang Layak Dalam Mewujudkan Pemerintahan yang Bersih*. Yogyakarta: Kreasi Total Media, pg 23.

<sup>9</sup>Ridwan. "Memunculkan Karakter Hukum Progresif dari Asas-Asas Umum Pemerintahan yang Baik, Solusi Pencarian dan Penemuan Keadilan Substantif." *Jurnal Hukum Pro Justitia*, Vol.26, April 2008.



**Graph 1:-** Total health budget of South Sulawesi starting from 2011-2015

Based on the Graph 1, it appears that the health budget from 2011-2015 tends to increase, although in 2015 the health budget has decreased from the previous year from total budget of Rp. 697.95 billion to only Rp. 669.64 billion. The decrease for the budget in the field of health will support or reinforce public perception that the government burden associated with the financing of public health services will be gradually transferred back to the community itself through various forms of program, especially with the programs of health financing through the Social Insurance Agency (*Badan Penyelenggara Jaminan Sosial-BPJS*). Even based on information obtained from the local government of South Sulawesi, free health program which is called Jamkesmas already be integrated with BPJS and will be discontinued on January 1, 2016, so that in total will be handled by the Social Insurance Agency or BPJS.

The term health social insurance that allows people to obtain health service without paying directly gives the impression that the government guarantees the cost of public health so that people can obtain free health services. But in fact, people have to pay every month. In this case not considered whether the client is ill and use of health care facilities from the government or not, which is important on due date, they must pay charge in accordance with the amount that has been set every month.

The presence of Social Insurance Agency, as if a camouflage to cover the burden of government's responsibility to provide optimal health services to the general public. Transfer of financing costs associated with health care so that the responsibility of society entirely would be contrary to the mandate of the Preamble of 1945 Constitution that one purpose of establishing the government of Indonesia is to promote the general welfare, which includes the field of health, because health is the main prerequisite realization of public health. Furthermore, according to the provisions of Article 34 paragraph (3) the 1945 Constitution, the State is responsible for the provision of health care facilities and public service are decent. While, in paragraph (2) states that the State shall develop a social insurance system for all citizens and empower the weak people in accordance with human dignity.

The provisions as contained in the 1945 Constitution, further elaborated in the law on health, in particular Article 19 of Act 36 of 2009 on Health, which states that the government is responsible for the availability of all forms of health efforts that quality, safe, efficient and affordable. The government from the central level to the local should be responsible for organizing the health service to the community, providing resources in the health are fair and equitable for all citizens to obtain maximum health status as stipulated in Article 16 of Act 36 of 2009, including providing health insurance for individual health effort.

In accordance with a general explanation of Act No.36 of 2009 on Health, that health is a human right and one of the elements that should be realized in accordance with the ideals of the nation of Indonesia as stipulated in the Pancasila and the Preamble of 1945 Constitution of the Republic of Indonesia, the ideal healthcare can be seen from several aspects:

- 1) The principle of service should be based on principles of fairness and non-discriminatory.
- 2) Type of service should always be ready and available and comprehensive that includes medical and non-medical services and public health services.
- 3) Scope of service should be able to reach the whole community up in villages

- 4) The cost of health care, especially for those on the poor and cannot afford should be the responsibility of the government as mandated by law, especially that of public health has become a part of human rights, so that the government is responsible to realize it.

Relating to aspect of health care, South Sulawesi and local governments have established some form of programs in an effort to improve health services to the community in South Sulawesi province. One form of the program is the provision of free health services to the community known as Jamkesmas or *Jaminan Kesehatan Masyarakat*.

A program of free health care is organized by the Provincial Government of South Sulawesi and local government district/city in the region of South Sulawesi province. While the health department as a technical agency that commissioned and given the responsibility for its implementation. Free health care is the entire population of South Sulawesi which has identity card, Personal Identification or family card and does not have other health insurance as participants of JKN/BPJS or other commercial health insurance.

Free health care are all basic health services at the public health center and its network and referral health services in Class III of hospitals/ health centers owned by the government (central and local) and is free of charge. Medicine given using national formulary based on the regulations that have been issued by the Ministry of Health (Kepmenkes 328/Menkes/SK/VIII/ 2013). For districts/cities are already MoU with BPJS, then all the mechanisms of health care must follow the regulations of JKN and BPJS program.

For districts/cities that already integrate with National Health Insurance or JKN and perform Memorandum of Understanding (MoU) with BPJS, the participants of free health program will focus on the poor people and cannot afford that have been established by the Decree of Regent/Mayor. For districts/cities that have not been integrated with the National Health Insurance can still use the ID card/Family Card to get free health care until 1 January 2016.

Health services in the free health care program implementing a structured and tiered health care based on medical indications. The first level outpatient services at the public health center and its network. Advanced services provided in the Hospital/Health Center owned by the Government which has appointed and for the district/city that has been integrated into JKN can use private health facilities (family doctors and clinics) that have cooperated with BPJS.

Inpatient care at the public health center and inpatient care class III in the government's health. For districts/cities that are already integrated into JKN can use private health facilities (family doctors and clinics) that have cooperated with BPJS. In emergency, throughout the Health Services Giver or Pemberi Pelayanan Kesehatan (PPK) must provide services to the entire population of South Sulawesi. To meet medicine needs and consumables in Hospital/Health Center, Pharmacy Installation/Hospital Pharmacy responsible for providing all medicine and consumables for public health services as needed.

Health services of RJTL and RITL at hospital, which includes action, medicine services, diagnostic support, blood service and other services in an integrated manner so that health care costs are claimed and is counted to be one entity in accordance with the tariff/package that applies in each district/ cities and hospital/Institute of Health of the Government (central and provincial) that appointed. If in the process of service, there is requires special care with disease diagnosis/procedure that is not listed in the provision, the Director of Hospital/Head of the Health Center to give a written decision for validity the use of the service after hearing the consideration and the advice of the Committee of Medical Hospital.

For district/city that has done MoU with BJPS may visit the family doctor, private clinics in collaboration with BPJS. Referral health services provided in accordance with the medical indications, it is concerned referred to referral health care facilities with referral letters and identity cards were shown from the beginning before the health service, except in cases of emergency.

The government of South Sulawesi allocates free healthcare assistance fund for District/City through the account/cash respective areas of District/City. Funds for free health care at the public health center and its network as well as the Regional General Hospital distributed directly from the Regional Treasury of District/City Government to the health center through the Department of Health and Hospitals on account of each PPK through process and mechanism of claim or capitation (Public Health Center). Funds distribution is done in stages

(monthly/quarterly) and distributed at the beginning of the month or by the claims submitted. For public health centers and hospitals in district/city that has been integrated into JKN Program will use the mechanism of BPJS rules.

If related with the theory of decentralization, the transfer of responsibility and government's authority to the BPJS is a form of functional decentralization, which is a form of transfer of authority from the central government to certain institutions that have specific functions anyway. In the case of this particular institution in question is BPJS. In functional decentralization, the institutions set up to carry out specific functions and create special institutions in a particular service area. This is different from the territorial decentralization assume multifunctional characteristics within the scope of its service.

In territorial decentralization, its setting limits are region, by accepting the devolution of power to control and manage the region (autonomy). While in terms of functional decentralization, setting limit is the type of function, which occurred about devolving power to regulate and manage a certain function. Although autonomous and not part of the territorial decentralized organizational unit, but any functional decentralization organization remains subject to the authority of the Central Government.

Responsibilities and government authority that decentralized to BPJS is to provide financing of health care facilities, as well as providing all forms of health efforts are quality, safe, efficient, and affordable. The government is also responsible for developing the social insurance system for all citizens and empowers the weak people and underprivileged in accordance with human dignity as stipulated in Article 34 paragraph (2) of 1945 Constitution. Including the responsibility of government as stipulated in Article 20 paragraph (1) of Act 36 of 2009 on Health, which states that the government is responsible for providing health insurance for individual health effort.

### **Conclusion:-**

Essentially, decentralization is a form of delegated authority from the center to local governments, whether through deconcentration, delegation and by giving assistance tasks are framed within the framework of a unitary state. Decentralization in the field of health, run in addition to the territorial decentralization through partial devolution of governmental authority to local governments to regulate and manage the delivery of government affairs in the field of health, also run in a functional decentralization through the establishment of BPJS. The central government delegates some of the government's responsibility to BPJS that established to carry out specific functions in the field of health. The role of government in health is realized in several aspects: finance, services and provision of social insurance. Delegating authority to the local government should be conducted in a fair, democratic, equitable, and taking into account the peculiarities of each region. The authority of local governments in managing natural resources, including in the management of oil and gas should be accommodated fairly.

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