

## Organizational and Legal Basis for the Introduction of Health Insurance in Uzbekistan

*Khudoyberganova Mavjuda Khamrakulovna*<sup>1</sup>

**Annotation:** Financing the provision of medicines within the framework of state guarantees of free medical care to citizens is carried out at the expense of compulsory medical insurance, sources of Republican and local budgets. Let's take a closer look at the features of providing medicines within the framework of the state guarantees program for providing free medical care to citizens.

According to the decree, the Minister of Health and the executive director of the state Health Insurance Fund are personally responsible for the full introduction of health insurance throughout the Republic by the end of 2026.

Since January 1, 2024, the State Health Insurance Fund will be transferred to the SSV structure, while maintaining the status of an independent legal entity and the current sources and procedure for financing its activities.

At the place of reference, President Shavkat Mirziyoyev, from 2021, also commissioned the gradual introduction of compulsory health insurance in Uzbekistan.

**Keywords:** the health insurance, compulsory medical insurance, medical services, medical care, system of financing and organization of health care, financial resources.

Financing the provision of medicines within the framework of state guarantees of free medical care to citizens is carried out at the expense of compulsory medical insurance, sources of Republican and local budgets. Let's take a closer look at the features of providing medicines within the framework of the state guarantees program for providing free medical care to citizens.

By the next 3-4 years, conditions had not been created for the introduction of compulsory medical insurance in our country. As a result, the funding of the health sector was largely budgeted. The system of estimated funding in health care was based on outdated, mechanisms incompatible with modern international practice, leading to inefficient use of financial resources and chronic underfunding of the industry. Therefore, the improvement of the financing system of the medical sector, the setting of the volume of free medical care guaranteed by the state, the introduction of the payment system for "each treated case" in terms of clinical-cost groups for medical services, as well as new mechanisms for financing per person, as well as the gradual introduction of compulsory medical insurance, became one of the main tasks of.

Compulsory health insurance systems are valid in many countries as part of social protection and fully or partially cover the medical costs of the population. The World Health Organization calls health insurance "the key to achieving universal access to health care", which improves health care and increases the level of Financial Protection of the population by reducing the need to pay for the provision of medical services in places.

In most foreign countries, health insurance is divided into compulsory and voluntary insurance. Compulsory medical insurance is a set of state-guaranteed measures for the material provision of citizens and their family members when they are sick, lose their ability to work, in old age, as well as in the protection of the health of mothers and children, etc.

<sup>1</sup> Teacher of "Administrative and Financial Law" Department of Tashkent State University of Law



Voluntary health insurance is carried out on the basis of a contract, the procedure and general conditions for its conclusion are established by the insurance company independently, but within the framework of the law.

Compulsory medical insurance is a state-guaranteed system of protecting the interests of the population in the field of Health. It is carried out at the expense of mandatory insurance premiums, which accumulate in a special-purpose fund and are designed to cover the costs of treating conditions caused by the occurrence of an insured event (illness or injury).

The main source of funding for public health institutions is still the state budget. They are distributed according to the standards of reimbursement of health care costs from the budget. This procedure has serious disadvantages in terms of the effective use of state resources. The reason is that the allocation of funds is carried out based on approximate forecasts, and not on the basis of accurate final results of the provision of medical services.

The current organizational forms and mechanisms of foreign state social insurance, including voluntary health insurance, in our country do not meet the modern requirements for the organization of insurance – first of all, in terms of mechanisms for ensuring the rights of citizens to use free medical services. The only database of patients to be served with medical care is not sufficiently shaky. Also, in our current legislation, there are no norms that liberalize the rights of insurance companies in matters of regulating the volume, duration and quality of medical care. The structure of management of the voluntary and compulsory health insurance system has not been introduced.

In 2019-2025, the concept of the development of the health system of the Republic of Uzbekistan established the task of improving the system of financing and organization of health care, strengthening the state-guaranteed volume of free medical care by legislative means and gradually introducing compulsory medical insurance. The introduction of compulsory health insurance was also documented in the President's decision on April 10, 2017.

Since January 1, 2021, for the first time in Uzbekistan, the health insurance system has been introduced in the Syrdarya region on an experimental basis. In this, a new model of the organization of Medicine and mechanisms of state medical insurance were developed . This practice began to be extended to medical institutions of the city of Tashkent from 2023. It should be noted that the state medical insurance introduced into medical institutions was gradually introduced into the Republican specialized scientific and practical medical centers as well as 22 private medical organizations. This gives the right to receive medical services at the expense of the state in public or non-governmental medical organizations.

In order to develop a guaranteed medical service at the expense of the state, from 2021, free provision of the population in the primary branch of medicine with 66 types, and in 2022 with 120 types of medicines and medical supplies was established. In the regions where the mechanisms of state health insurance were introduced, an outpatient treatment “reimbursation” system was introduced with 11 types of drugs that patients with “D” control over chronic diseases were given free of charge from the pharmacy on an electronic prescription.

All this makes it possible to ensure the constitutional rights of our citizens to receive the guaranteed volume of medical care at the expense of the state for free. Because some segments of the population may not be able to use the services of private hospitals on a paid basis or. In such a situation, the fact that the state undertakes to provide its citizen with guaranteed medical services, that is, to ensure free medical care is provided to everyone within the framework of the guaranteed package, at the expense of the insurance fund, means that the state does not stop taking care of the health of citizens, especially those who do not have good material conditions.

For this, of course, all measures are being taken in our country. For example, the amount allocated to the industry has increased significantly. 29 trillion of the budget for the medical sector in 2022 alone. the sum is directed, which is 5 times more than in 2016. In the past five years, the funds allocated for the provision of hospitals and ambulances with medicines, medical supplies were increased 12 times.



By decree of the president of the Republic of Uzbekistan No. 07.12.2018 PF-5590, the Ministry of Health, the Ministry of Finance and the National Chamber of Innovative Health have been established to develop the draft law of the Republic of Uzbekistan “on compulsory medical insurance” by July 1, 2019. In this draft law, the legal basis, mechanisms and stages of introduction of compulsory medical insurance; determination of subjects of compulsory medical insurance, their rights and obligations; sources of the formation of funds for the financing of compulsory medical insurance programs should have been established. However, despite the fact that legal reforms to health insurance are carried out without interruption, the law of the Republic of Uzbekistan “on compulsory medical insurance” is still coming.

Currently, the only law regulating public health insurance relations is the Insurance Activities Act. Article 11 of this law provides an understanding only of the facilities of health insurance, according to which, in the wake of a violation of the health or condition of a person requiring the organization and provision of medical services (medical care, drug provision) as well as other services, to organize and provide such services, also property interests associated with remuneration for conducting preventive measures that reduce the level of threats that are dangerous to the life or health of an individual and (or) eliminate them can be objects of medical insurance. However, this law does not provide any legal norms on the legal basis of compulsory medical insurance, mechanisms for their introduction, subjects of compulsory medical insurance and their rights and obligations; sources of financing of compulsory medical insurance programs.

Today, a system of compulsory health insurance has been introduced in all developed countries. Through this, it is achieved to reduce budget costs, improve the quality of medical care. Therefore, the president of the country at his video session on November 9, 2018 aimed at the development of the health care system emphasized the need to gradually introduce compulsory health insurance system in Uzbekistan from international experience, to develop relevant law and legislative documents, involving international consultants from countries such as South Korea, Singapore, Germany .

In accordance with the Presidential Decree, by the end of 2026, medical insurance is stipulated to be fully introduced throughout the Republic. According to this decree, from January 1, 2024, the state medical insurance fund was transferred to the structure of the Ministry of Health. The foundation will then withdraw from the Ministry of Health on 1 January 2027 and will continue its activities as an independent foundation.

In general, in the full introduction of medical insurance in our country, I consider it necessary to consider the following organizational and legal issues:

- approval of the basic services complex of guaranteed free medical care at the legislative level, taking into account the capabilities of the state budget;
- to promote the expansion of voluntary health insurance by passing the health insurance law, exemption from taxation of part of the income of individuals allocated for health insurance, to introduce standards of health care, to ensure openness in accounting for patients and their treatment; to activate the promotion of the usefulness of health insurance, to ensure the use of medical statistics by insurance companies, to promote;
- continuing to reform the management and financing system of state medical institutions, expanding the independence of these organizations and commercializing their activities;
- create relatively equal conditions for state and non-state medical institutions to receive budgetary funds for basic services and develop honest competition in this service market;
- Establishing a strategy for the introduction of compulsory health insurance in our country, provided that most areas of health reform are carried out within the framework of the current industry management system.

Replacing these industry management and financing models can lead to significant costs for the state, and the introduction of compulsory health insurance without proper training reduces the efficiency of



the resources used and the quality of the medical services provided (for example, without state assistance). to abandon its excessive obligations to provide free basic services, without introducing flexible mechanisms that expand the market transparency of this market and promote competition).

It is very important to ensure the introduction of a mandatory health insurance model by commercial insurance companies that provide insurance, working on market principles. In this case, the state insurance policy should set a minimum set of services that should include and introduce a flexible payment mechanism for the insurance of socially vulnerable segments of the population. Patients of this model should be able to independently choose an insurance company, a form of insurance, medical institutions and doctors.

1. Khabriev R.U., Tel'nova E.A., Parkhomenko D.V. (2005) Sovremennye problemy zashchity interesov sotsial'no uyazvimykh grazhdan pri okazanii lekarstvennoi pomoshchi [Actual Problems of Caring for Socially Vulnerable People in Terms of Medicinal Help]. Farmatsiya – The Pharmacy, 4, pp. 5-8.
2. Kuznetsova A.M., Galeeva Z.M. (2011) Lekarstvennoe obespechenie naseleniya Respubliki Tatarstan: v zerkale mnenii vrachei [The Medicinal Provision in Tatarstan Republic]. Vestnik ekonomiki, prava i sotsiologii – Herald of Law, Economics and Social Science, 2, pp. 218-222.
3. Lekarstvennye sredstva [Medicines] // Malaya meditsinskaya entsiklopediya [Little medicine encyclopedia]. — M.: Meditsinskaya entsiklopediya, 1991—1996.
4. O'zME [Uzbekistan national encyclopedia]. Birinchi jild. Toshkent, 2000-yil
5. “Lekarstva” [Medicine] // Bol'shaya sovetskaya entsiklopediya [Big soviet encyclopedia], 1 izdanie. — M.: Sovetskaya entsiklopediya, 1938, T. 36, S. 273.
6. Engel, A. & Siderius, P. (1968). The consumption of drugs. Report on a study. WHO Regional Office for Europe 1968. (Document EURO 3101).
7. Kh.Djalilov., M.Ya. Ibragimova. “Dori vositalari va farmatsevtika faoliyati to'g'risida”gi O'zbekiston Respublikasi yangi tahrirdagi qonuni [Law of the Republic of Uzbekistan "On medicines and pharmaceutical activity" in the new edition]. O'zbekiston farmatsevtik xabarnomasi, №1 2016, pp. 24-25.
8. Vnukova V.A. (2006) Lekarstvennoe obespechenie l'gotnykh kategorii grazhdan. Pravovoi analiz [The Legal Analysis of Medicinal Provision Given to Privileged Categories of Citizens]. Vestnik Belgorodskogo universiteta kooperatsii, ekonomiki i prava – Herald of Belgorod University of Cooperation, Economy and Law, 3, pp. 304-308.
9. Khudoyberganova, M. “The role of public administration in the development of pharmaceutical sector in the republic of Uzbekistan. International scientific and current research conferences, 1 (1), 147–152.” (2021).
10. Khudoyberganova M.Kh. O'zbekiston Respublikasida dori vositalari va farmatsevtika faoliyatini takomillashtirishning tashkiliy-huquqiy asoslari [Organizational and legal framework for improving the activities of medicines and pharmaceuticals in the Republic of Uzbekistan]. Huquqiy tadqiqotlar jurnali/ Jurnal pravovykh issledovaniy/ Journal of Law Research, №SI-1 | 2021, pp. 99-111. doi: 10.26739/2181-9130

