

ACCOUNTING AND FISCAL TREATMENTS REGARDING REGISTRATION AND PAYMENT OF MEDICAL SERVICES. CASE STUDY NATIONAL HOUSE OF HEALTH INSURANCE, TIMIS COUNTY

AURA EMANUELA DOMIL¹, ALIN EMANUEL ARTENE², MOISE DOMIL³

¹ *West University of Timisoara, Faculty of Economics and Business Administration, Timisoara, Romania, e-mail: aura.domil@e-uvt.ro*

² *Politehnica University of Timisoara, Faculty of Management in Production and Transportation, Timisoara, Romania, e-mail: alin.artene@upt.ro*

³ *West University of Timisoara, Faculty of Economics and Business Administration, Timisoara, Romania, e-mail: moise.domil@brd.ro*

Abstract: *Public entity accounting is often considered as a routine everyday activity, and all this because it represents the process of registration activities regarding the attraction process of financial resources for the entity and of using these resources with the objective of accomplishing the ideals for which the public entity was established in the first place. In our days the importance of public entity accounting is increasing due to the importance given to the information system which it supplies, useful information in the process of developing the institutions policy, in the decision making process and improvement of effectiveness and efficiency of services accomplished by the public entity.*

Key words: *accounting, public entity, expenditures and revenue, public institution accounting*

INTRODUCTION

Public institutions have an important role in society, through the ongoing process of formation and application of the main resources of the state.

The impact that these institutions have on society, strongly contrasts the role and importance specialists and regulators give to public entity accounting.

Public entity accounting is often considered as a routine everyday activity, and all this because it represents the process of registration activities regarding the attraction process of financial resources for the entity and of using these resources with the objective of accomplishing the ideals for which the public entity was established in the first place.

The role of accounting is misunderstood and perceived in essence as limited to registration and control of revenues collected and expenses paid.

In our days the importance of public entity accounting is increasing due to the importance given to the information system which it supplies, useful information in the process of developing the institutions policy, in the decision making process and improvement of effectiveness and efficiency of services accomplished by the public entity.

Public institution accounting ensures information to the Authorizing officers regarding the budget of income and expenses, the assets under its management, patrimonial result, the cost of programs approved by the budget and last but not least useful information for preparing the annual general account of execution of the state budget, preparing the annual general account of execution of the state social security budget, special funds.

In our globalized society, this objective can be accomplished only considering legislative and operative structures can be equalized, namely an accounting reporting structure accessible and identical for the whole accounting community.

In order to obtain comparability for the financial statements some norms are developing which use two accounting processes for transactions and events of this nature.

One of this is reference processing or basic treatment and the other one is authorized alternative processing or allowed alternative treatment.

One of the main activities of the County House of Health Insurance is taking reports, validation and payment of hospital medical services.

MATERIALS AND METHODS

The Scientific methodology consists of non participating observation, content analysis, analysis of existing statistics and historical research and comparative inductive method (induction) method of economic analysis, dynamic neoclassical model for assessing tax incentives, economic synthesis method, the historical method, statistical method.

Methodological process involves systematizing existing data in the databases studied, identifying new data and update already held, development of new lines of research on the topic addressed

RESEARCH RESULTS

Reports regarding validation and payment of hospital medical services.

Healthcare providers submit to CHHI invoices including medical services performed and reporting forms approved by CHHI Presidents order thereby:

- A. Hospital medical services whose payment is based on the price per case solved for acute illnesses
- B. Medical services performed in hospitals for chronic diseases and recovery, wards and departments chronic illnesses, recovery, neonatology - premature from other hospitals
- C. Services for acute diseases care provided in hospital, hospital medical services for chronic diseases and recovery, wards and department's chronic illnesses, recovery
- D. Medical services performed in day care scheme
- E. Medical Para clinical services performed in ambulatory

Operations and activities consist of:

- A. Receiving reports and invoices
- B. Attending phases of liquidation expenses
 - Verifying the existence of legal commitments
 - Validation services performed on the basis of supporting documents
 - Determining and verifying the reality of the amount due
 - Visa application - certificate about reality, regularity and legality
 - Visa application – verified
 - Visa application - solid payment
- C. Attending phases of authorization for expenditure
 - Preparing and ordering of its registration
- D. Advising ordinance by the head of the service
 - Check availability and compliance with budget limits approved by the accounting service
 - Presentation of ordering of the authorized person with financial control
 - Presentation of ordering of the authorizing officer
- E. Initiation phase of payment of expenditure
 - Preparation of payment orders
 - Presentation of ordering of payment of payment orders together with all supporting documents

Quarterly regulation is made depending on the total number of released reported and verified cases, case mix index, set rate per weighted case, k coefficient of cases discharged.

CHHI and accept for payment if the hospital or ward have decided to increase the number of admissions.

In case the number of cases discharged is greater than the number of cases contracted, CHHI may accept the overflow if the hospital or ward have decided to increase the number of admissions if this exceeding is within the allocated funds for medical assistance.

Visa application - certificate about reality, regularity and legality is made by the person appointed with responsibilities in this sense through decision of the President by signature applied on the seal with the phrase mentioned certifying that services have been provided and the supporting documents were legally drawn.

Visa application – verified is assigned by the person delegated with attributions in this particular mater, are handled to the person empowered to perform the liquidation costs who personally check the supporting documents and confirms on its own responsibility that this check was conducted successfully by applying the visa.

Visa application - solid payment be made by the authorizing officer by signing the document that certifies the stage in liquidation of expenditures.

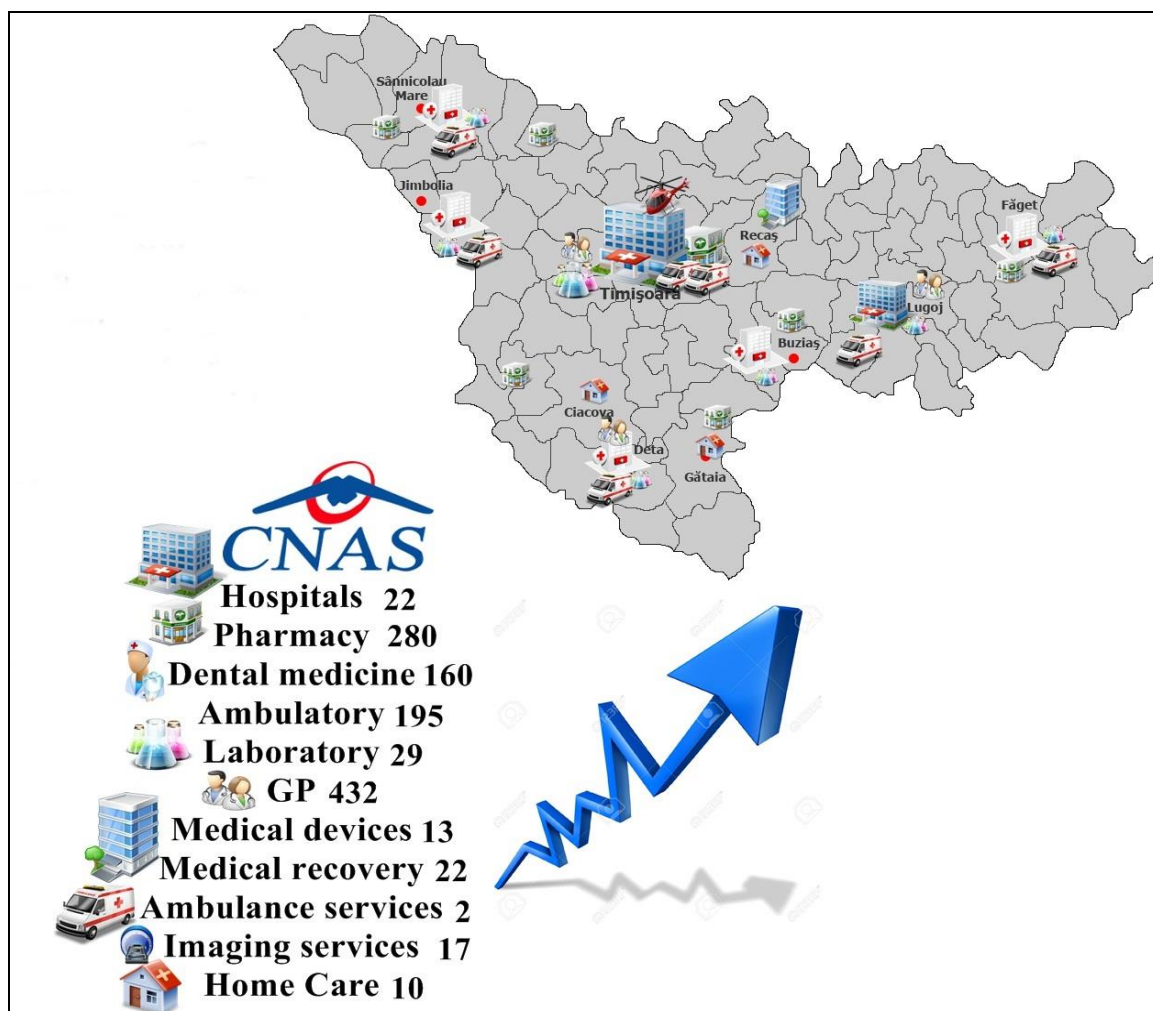


Figure 1 Medical service providers in Timis County

Highlighting accounting of health care providers

Ensure a clear analytical and synthetic evidence of medical service providers and creditors represents a primary objective in tracking medical benefits granted to Member State of the European Union.

Upon receiving the medical service invoice accompanied by the docket summary authorized personnel verify the existence of visas and the concordance between the values contained in invoices and bills centralizing.

After checking the invoices, in the same day or at the latest the day after, is recorded in personal accounts the equivalent of the medical services provided by medical suppliers.

The date for accounting records represents the date of the invoice preparation by the medical service provider for the month in which the service was provided.

Accounting Office draws centralizing payment and payment orders for each medical service supplier. At the end of the month, after recording all justifying documents, the accounting note and the accounting sheet is printed and the specified documents are subject to the verification and approval of the Head Office.

Registering medical service providers in the analytical evidence is accomplished as such:

- A. Analytical evidence is conducted on service providers;
- B. Every medical service provider is credited in the analytical evidence with the value of the provider invoice issued;
- C. In analytical evidence is debited each supplier whit the amounts paid through bank transfers;
- D. Credit balance of analytical evidence represents the unpaid liabilities to the medical service suppliers.

Registering medical service lenders in the analytical evidence is accomplished as such:

- A. Analytical evidence is conducted on service lenders;
- B. Every medical service lender is credited in the analytical evidence with the value of the inventory of approvals received by CHHI concerning reimbursement of the costs landed caused by granting of benefits within an European Union Member State;
- C. In analytical evidence is debited each lender or creditor whit the amounts paid through bank transfers
- D. Credit balance of analytical evidence represents the unpaid liabilities to the medical service lenders or creditors by granting of benefits within an European Union Member State.

In the following we present the accounting records of health care providers:

Medical service charges = Suppliers of medical service (analytic)

Reimbursement of medical services

Suppliers of medical service (analytic) = Revenue financed from National Budget (analytic)

Registration of obligations to suppliers granting of benefits within an European Union Member State

Medical service charges = Creditors medical benefits

within an European Union Member State
(analytic)

Reimbursement of medical services

Medical service charges = Revenue financed from National Budget (analytic)

In the end of the month, after registering every document, the accounting note is printed; sign on every bill the number and the date of the accounting note and the signature of the person authorized the accounting note.

Accounting for delivering health services is made electronically with the help of ERP.

CONCLUSIONS

Public entity accounting is often considered as a routine everyday activity, and all this because it represents the process of registration activities regarding the attraction process of financial resources for the entity and of using these resources with the objective of accomplishing the ideals for which the public entity wash established in the first place.

The role of accounting is misunderstood and perceived in essence as limited to registration and control of revenues collected and expenses paid.

In our days the importance of public entity accounting is increasing due to the importance given to the information system which it supplies, useful information in the process of developing the institutions policy, in the decision making process and improvement of effectiveness and efficiency of services accomplished by the public entity

In order to obtain comparability for the financial statements some norms are developing which use two accounting processes for transactions and events of this nature. One of this is reference processing or basic treatment and the other one is authorized alternative processing or allowed alternative treatment.

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