

**POLICY IMPLEMENTATION OF REGIONAL PUBLIC SERVICE BOARD (BLUD)  
IN REGIONAL GENERAL HOSPITAL OF SIDOARJO REGENCY  
(A Case Study in General Hospital of Sidoarjo Regency)**

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**Abstract: Policy Implementation of Regional Public Service Board (BLUD) in Regional General Hospital of Sidoarjo Regency.** Hospital as one of the types of Public Service Board is the main of the development of public health. Hence Regional Public Service Board Sidoarjo Regency is expected to improve the quality of service, efficiency and giving accessibility good enough to the society with providing services such as providing goods and/or services sold without prioritising seeking and based on efficiency principle and productivity. The purpose of this study is how the implementation, result and the constraints faced. This study used method of research that use are qualitative research combined with descriptive approach and tend to use SWOT analysis. The results of this study are *BLUD* policy implementation results are quite good but there are still many things to be improved and upgraded. The suggestion given are doing improve the marketing of a superior product, need for monitoring, evaluation of employee performance estimation gradually and to increase performance of *SIM* Hospital.

**Keywords:** policy implementation, regional public service board

**Abstrak: Implementasi Kebijakan Badan Layanan Umum Daerah (BLUD) di Rumah Sakit Umum Daerah Kabupaten Sidoarjo.** Rumah sakit sebagai salah satu jenis dari Badan Layanan Umum utama pembangunan kesehatan masyarakat. Oleh karena itu Badan Layanan Umum Dewan Kabupaten Sidoarjo diharapkan dapat meningkatkan kualitas pelayanan, efisiensi dan memberikan aksesibilitas yang cukup baik kepada masyarakat dengan menyediakan layanan seperti penyediaan barang/jasa yang dijual tanpa mengutamakan mencari dan didasarkan pada prinsip efisiensi dan produktivitas. Tujuan dari penelitian ini adalah bagaimana pelaksanaan, hasil dan kendala yang dihadapi. Penelitian ini menggunakan metode penelitian yang digunakan adalah penelitian kualitatif yang dikombinasikan dengan pendekatan deskriptif dan cenderung menggunakan analisis SWOT. Hasil penelitian ini implementasi kebijakan *BLUD* yang cukup baik tetapi masih banyak hal yang harus diperbaiki dan ditingkatkan. Saran yang diberikan lakukan meningkatkan pemasaran produk unggulan, perlu untuk monitoring, evaluasi estimasi kinerja karyawan secara bertahap dan meningkatkan kinerja *SIM* rumah sakit.

**Kata kunci:** implementasi kebijakan, badan layanan umum daerah

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## Introduction

The public service is any activity in order to fulfill the basic needs in accordance with the fundamental rights of each citizen and resident against a good, service, and administrative service provided by an organizer of public service in associated with public interest. The organizers of public service are institutions and public service officers either Local Government or Regional-Owned Board Enterprise who organize public service. The recipient of public service is individual or group and/or legal entity that have rights and obligations of a public service.

Hospital is a business unit services that provide services of social services in the field of clinical medical. The management of hospital business unit has its own uniqueness because besides as a unit business hospital, the hospital business also has social mission, besides the management of hospital also depends heavily on the ownership status of the hospital. The mission of the hospital is not separated from social service mission. But it cannot be denied that the conflict of interest from various parties remains occur in managing the hospital. This conflict of interest from various parties happened because of the classification of the hospital

organization. The classification of the organization are differentiated into two, namely business organization and non-business organization.

The government hospital is more precise classification as non business. Some hospitals are having the quality of the services which is still quite alarming. This due to the limitations of the resources both financial resources and non financial resources. Demands of improved quality of services requires a wide range of investment funds. The rising in demand of the quality of the hospital services must be accompanied with management professionalism. The development of hospital management, both from management aspect and operational strongly influenced by various demands from environment, namely external and internal environment. External demands among others are from stakeholders that the hospitals are required to provide health care certifiable, and the cost of health care service under control so that it will lead to the satisfaction of patients. Meanwhile, internal demand is cost control.

Based on problem identification above, then the problem in this research can be formulated as follows:

1. How is the implementation of Regional Public Service Board (*BLUD*) in Regional General Public Hospital in Sidoarjo Regency?
2. How the result of policy implementation in Regional General Public Hospital in Sidoarjo Regency?
3. What are the constraints faced by Regional General Hospital in Sidoarjo Regency in the implementation of Regional Public Service Board (*BLUD*)?

## **Literatur Review**

### **Policy Implementation**

#### *1. The Definition of Implementation*

Daniel A. Mazmanian and Paul A. Sabatier (1979) explained the meaning of implementation by saying that:

“To understand what is actually happened after a program is declared valid or formulated is the main focus of policy implementation, namely cases or activities that emerge after public policy guidelines

adopted, including either the effort of administration or to make a real impact for society or activities. Mazmanian in Wahab (2012, h.135).”

#### *2. The Definition of Policy*

Policy is a guidance to act. That guidance can be so simple or complex, common or specific, wide or narrow, vague or clear, loose or detail, qualitative or quantitative, private or public. This meaning of policy may be a declaration of basic guidelines to act, to a certain direction, a program related to some certain activities or a plan. United Nation in Wahab (2012, h.9).

#### *3. The Definition of Policy Implementation*

Policy implementation basically is a way of a policy in order to achieve its goals. The opinion of Lester and Stewart cited by Winarno, explain that policy implementation is:

“Policy implementation in broad sense is viewed as law administration tool for actors, organization, procedures, and techniques to cooperate together for applying policy in order to achieve a certain impact or desirable goals. Lester and Stewart in Winarno (2002, h.101-102).”

### **Regional Public Service Board (*BLUD*)**

#### *1. The Definition of Regional Public Service Board*

The definition of Public Service Board regulated in Article 1 paragraph 23 Act Number 1 Year 2004 about State Treasury namely: “Public Service Board/PSB is an institution in government environment that was formed to provide service to the society in the form of the provision of goods and/or services selling without prioritising profit and conduct its activities based on the principle of efficiency and productivity”. This understanding was afterwards adopted back in its implementation regulation is in Article 1 paragraph 1 the Government Regulation Number 23 Year 2005 about Financial Management of Public Service Board.

#### *2. The Characteristic of Regional Public Service Board (*BLUD*)*

- 1.a) Regional Public Service Board operate as a set of work of the local government in order to provide public service to be more effective and efficient in line with the healthy business practices, that the operations based on authority which has been delegated by head of the region.
- 1.b) Regional Public Service Board is a part of local government which established to assist in the achievement of the objectives of local government through legal status which inseparable from the local government.
- 1.c) The head of region is responsible for the conduct of the policy implementation of public service that has been delegated to Regional Public Service Board, especially to the resulted benefit aspects
- 1.d) Official Management of Regional Public Service Board is responsible for providing the public service activity that has been delegated by the head of the region.
- 1.e) In the implementation of activities, Regional Public Service Board must prioritize the effectiveness and efficiency, as well as the quality of public service to the society without prioritizing the quest of profits.
- 1.f) The work plan, budget, financial report, and the performance of Regional Public Service Board are arranged and displayed as inseparable part of work plan, budget, financial report and the performance of local government.
- 1.g) In organizing and improving service for the society, Regional Public Service Board is given the financial management flexibility.

### 3. *The Purpose of Regional Public Service Board Program*

. Hospital management in financial matters in accordance with Government Regulation No. 23 Year 2005 on Public Financial Management Service Agency conducted in sound business practices, namely:

1. Service rates should consider the continuity and development services; purchasing power; principles of

- justice and fairness, and fair competition
2. Management was held in a flexible spending *BLU* (based on equality between the volume of service activities with total expenditure)
3. *BLU* cash management transparent and accountable
4. Receivables and debt *BLU* managed and resolved in an orderly, efficient, economical, transparent, and responsible and can provide added value.
5. Procurement and management of goods/services by *BLU* conducted based on the principles of efficiency and economy.
6. Authority to plan and define resource requirements needed.

### **Methods of Research**

In research study, the use of methodology is a step that must be taken, so that the data and the results of research which has been gathered in the field, the answer and the solution can be known by validly, reliably, and objectively thereby they can be used to understand, solve, and anticipate a problem. In this research, a method of research that we use is qualitative research combined with descriptive approach and tends to use SWOT analysis (Strength, Weakness, Opportunity, Threat). SWOT Analysis is a strategic method analysis to perform internal analysis of an organization, including an assessment of the following factors: Strength, Weakness, and external analysis of an organization that includes Opportunity and Threat factors, which will be used comprehensively and accurately as basis to arrange strategies and work programs of an organization. Beside that, this analysis also use data collection technique based on observation, interview, and documentation.

According to Denzin and Lincoln (1987) in the book titled *Qualitative Research Methodology*, Moleong (2005, h.5) said that qualitative research is research that using scientific background, in order to interpret the occurrence phenomena and should be conducted by involving existed various methods. Qualitative research method use

interview, observation, and the utilization of document.

## Discussion

### 1. Policy Implementation Process of Public Service Board on General Hospital Sidoarjo

#### a. Implementation Regulations in Public Service Board on General Hospital Sidoarjo

General Hospital Sidoarjo as a Regional Working Units or *Satuan Kerja Perangkat Daerah (SKPD)* in Sidoarjo regency is expected to provide cheaper and excellent health care services for societies. Therefore, General Hospital of Sidoarjo has supporting regulations relating to Policy Implementation Public Service Board. According to the Government Regulation No. 23 Year 2005 on Financial Management of Public Service Agency or *Badan Layanan Umum (BLU)* explained that the purpose of Public Service Agency is to improve the public service in order to promote the general welfare and intellectual life of nation by providing flexibility in financial management based on principles of productivity and economy and the application of sound business practices, based on the principles of good management, include: Planning, Organizing, Actuating, Control and Responsibility.

Hospital as one of the General Services Agency is spearheading the development of public health. General Hospital of Sidoarjo Regency regional work units that have carried out *BLUD* of Financial Management (*PPK-BLUD*) since January 1, 2009 with Regency Decree on 188/1229/404.1.1.2/ 2008.

#### b. Requirements to be met by the regional general hospital of sidoarjo regency in policy implementation regional public service board (*BLUD*)

##### 1) Substantive requirements of Regional Public Service Board (*BLUD*) General Hospital of Sidoarjo Regency.

Substantive requirements that have been met by the General Hospital of Sidoarjo are

operational in organizing public services that produce spring goods/public services (quasi public goods) that is common in health care is the main activity (Core Business) District General Hospital in Sidoarjo to provide health services with emphasis on community health services that are curative (treatment) and rehabilitative (healing). Health services at the General Hospital of Sidoarjo regency, among others:

- a. Unit Specialist Polyclinic Pavilion, where patients are free to choose a specialist in accordance with the schedule and agreements, as well as equipped with the support services.
- b. Installing High-Risk Services, a service for mothers and children in an integrated manner with the aim of accelerating decline inmaternal and infant mortality, as well as breast feeding (breast feeding) exclusive optimally.
- c. Trauma Centre (TC) is a service centre of occupational accidents in collaboration with PT. Jamsostek.
- d. Laparoscopy, which is a minimal surgery, is generally intended to reduce the risks found in major surgery. The healing process is much faster with laparoscopy compared with major surgery.
- e. Endoscopy, which is an act of examination to be able to see clearly the location and type of abnormalities in the gastrointestinal cavity directly to the patient via monitor in a very short time and high accuracy.
- f. Haemodialysis, which is a measure of kidney function replacement treatment damaged by ridding the blood of toxins that accumulate by using machine Haemodialisa (HD).
- g. IPIT (Integrated Installation Intensive Care) is an installation that houses and coordinates intensive services in an integrated manner on a variety of related skills, to minimize the risk of death. Some services are incorporated in the IPIT among others: Coronary Intensive

Care Unit (ICCU), Emergency Care Unit (ECU), Intensive Care Unit (ICU), Neonatal Intensive Care Unit-Pediatric Intensive Care Unit (NICU-PICU).

## **2) Technical Requirements Regional Public Service Board (BLUD) General Hospital of Sidoarjo Regency.**

In accordance with Government Regulation No. 23 Year 2005 on the Financial Management of Public Service Agency (BLU) of Article four in the third paragraph states that, the technical requirements that must be met in order for local government unit can carries of Financial Management of Public Service Board (PPK-BLUD), namely:

1. Performance of services in duties and functions are managed and enhanced achievement worthy through Public Service Agency (BLU), as recommended by the Minister/Head of the Institution/Head Unit (SKPD) in accordance with their authority.
2. The financial performance of the agency concerned unit is healthy, as showed in the document proposed establishment of Public Service Agency (BLU).

## **3) Administrative Requirement of Regional Public Service Board (BLUD) of Sidoarjo Regency Public Hospital**

### **(a) Management System of Regionl Public Service Board (BLUD) of Sidoarjo Regency public hospital**

According to Domestic Minister Regulation number 61 in 2007 about Finance Management Tech Reference Manual of Regional Public Service Board (BLUD), article 31, verse (2), mentioned that the principles of the Administrative Requirement of Regional Public Service Board (BLUD) which are good include the following:

- a. Transparency is the openness basis which is built based on the information path deliberacy in order to make the

information can be accepted directly to the one who needs it.

- b. Accountability is function explanation, structure, the system which is instructed to BLUD to make to make its management can be responsible.
- c. Responsibility is suitability or pursuance in organization management to safe business principle and medical legislation.
- d. Independence is the independence of organization management professionally without business crash and influence or pressure from another side that is not appropriate with the regulation of law and the safe business principle.

### **(b) Implementation of Business Program and Estimate (RBA) of Regional Public Service Board (BLUD) of Sidoarjo Regency Public Hospital in 2012**

Business plan and budget (RBA) arranged base on the business strategic plan (*Renstra Business*) which already been established and as effort renders to business create that healthy in implemented financial management pattern (PPK) of Regional Public Service Board (BLUD) hospital in Sidoarjo Regency. Business plan and Budget (RBA) is a more formulation from the program and activity of Regional Public Service Board (BLUD) with focus of guidance on management financial of Regional Public Service Board (BLUD).

### **(c) Performance Minimum Services Standart (SPM) Regional Public Service Board (BLUD) General Hospital of Sidoarjo Regency**

Health care management to society that did by RSUD Sidoarjo Regency have to compass on the Minimal Service Standard (SPM) as poured forth in Sidoarjo's Regent Regulation Number 74, 2008 about Minimal Service Standard (SPM) RSUD Sidoarjo Regency. Minimal Service Standard (SPM) is aim to assure of availability, achievement and service quality that gave by RSUD Sidoarjo Regency.

(d) **The basic financial report of Regional Public Service Board (BLUD) General Hospital of Sidoarjo Regency.**

*RSUD* Sidoarjo Regency that already carry on of Regional Public Service Board (*BLUD*) expected can give common service to society and can apply financial management pattern of Regional Public Service Board (*PPK-BLUD*) which flexible with productivity advances., efficiently, and effectiveness in all of service activities, and can be concrete sample of financial management application by performance basis. So that the financial report of *RSUD* Sidoarjo Regency in system manages Regional Public Service Board (*BLUD*) include by:

1. Financial position reporting.
2. Activity reporting.
3. Cash flow reporting that covers of cash flow from operational activity, investment activity, and finance activity.
4. Note on financial statement, such as character and totaling restriction permanent or temporary. And classification change net assets.

Base on the regulations of Financial Minister No.76/PMK.05/2008 about Compass Accounting and Financial Reporting Service Common and Government Regulation No.23/2005 about financial management Region Agency Public Service, section 27, described that government hospital in order to responsibility of financial management and ministering activity, be force to arrange and presents financial reporting and performance reporting. This is Budget Realization Reporting, operational reporting, balance, cash flow reporting, and note of financial statement. *RSUD* financial statement of *Sidoarjo* Regency before is passed to reporting Entitas will be review by Intern Investigation Unit (*SPI*).

**2. Human Resource (SDM) General Hospital of Sidoarjo Regency.**

**a. Availability of Human Resource (SDM) General Hospital of Sidoarjo Regency.**

In work implementations of Regional Public Service Board (*BLUD*) General Hospital of Sidoarjo Reency supported by executor power that consists of civil servant (*PNS*), contract power and *BLUD* power non *PNS*, by the number around 1.079 people.

**b. Education Performing and Human Resource Training (SDM) General Hospital of Sidoarjo Regency.**

In fulfill of service demand, a variety effort was done by Common Hospital Sidoarjo Regency in increase executor official competence of Regional Public Service Board (*BLUD*). That competence according with the instruction of employee agency Sidoarjo Regency by mean of increasing the competence education formal, which include of:

- 1) Give permission to study for nurse staff to attack Nurse Scholar (S1) and Nurs profession as much as 60 persons.
- 2) Transferring staff learn task of physiotherapy supporting to D4 physiotherapy a number of one (1) person.

**3. Facilities and Infrastructure of General Hospital Sidoarjo Regency.**

In carry on its main activity (*core business*), hospital Sidoarjo Regency as a Regional Public Service Board (*BLUD*) Having task and obligation one of them is to give health service to all of society by consider to health care that *curative* and *rehabilitative*. So that in kick of performed that health ministering activity, *RSUD* Sidoarjo Regency have had severally medium and infrastructure until 2011 period. Such as in the following sentence:

- a. Emergencies Service
- b. Ways Nursed Service (Specialist poly)
- c. Nursed Service Lodges

- d. Radiology Service, is Radiodiagnostic service to do diagnosis by use of ionizing radiation.
- e. Pathology Laboratory Service Clinic, having equipment for chemical, immunology, serology, and hematology inspection.
- f. Pathology Laboratory Service Anatomy, have cytology check liquid, FNAB Guiding, Histopologi, Histokimia, FNAB and Pap Smear/ Pap Test.
- g. Pharmaceutical Service, which is have 9 (nine) pharmaceutical depot that spread at around Emergencies Nursed Installation, Nursed Installation Lodges, Ways Nursed Installation, and Extension Building.
- h. Sterilization Service ( CSSD ), have 2 (two) *Autoclaf* ( instrument to linen sterilization and instrument process) and 1 (one) unit generating water instrument *High Oxidation Potentio (HOP)*.
- i. *Pemulasaran Jenazah* Service, having room facility for corpse residence, 4 (four) rooms for bathing place corpse and 1 (one) corpse preservation tool that contain of 4 (four) corpse.
- j. installation Surgical Operational Central. Which have 7 Surgical Operational rooms (6 OK majors and 1 OK Minor).
- k. Ambulance services
- l. Administrative and Information service.

#### **4. Constraints in Implementation of Regional Public Service Board (BLUD) at General Hospital of Sidoarjo Regency.**

In Common Hospital developing implement Regency Region task Regional Public Service Board (*BLUD*) at this year 2011, obviously has experience constraints not only internal but also external, that consist of : management scope and operational, ministering scope and financial scope. Case concerning harmonization performance in each part as internal constraint not works optimal yet in implementation of occupation program

according to *RSUD*'s Business and Strategies Plan Sidoarjo Regency in Period of 2010 – 2014. Meanwhile, external constraint is still there a constraint of implementation in various rules from an Regional Public Service Board (*BLUD*), such as Business and budget planning (*RBA*), Accounting Performance Basis, goods and service acquisition and financial Independent Audit that not worked yet maximally.

Although, Hospital Management Information System development (*SIM- RS*) was integrated each base module, but also in it application not work yet optimally because of Human Resource factor (*SDM*), police compliance also have not marked sense perception about the importance of Hospital Management Information System (*SIM – RS*) in support of Regional Public Service Board (*BLUD*) Performance. Besides that, another important constraints is financial performance cannot do estimation truth and finely. This case cause of *RSUD* Sidoarjo Regency still use Activity and Budget Plan (*RKA*) and budget ceiling list (*DPA*), and not specifically yet utilize Business and Budget Plan (*RBA*), cause of constraint of Human Resource (*SDM*) and was accomplished the Hospital Management Information System (*SIM – RS*) as main equipment of arrangement business and budge planning (*RBA*) in 2011 period.

##### **a. Internal Constraint in Implementation of Regional Public Service Board (BLUD) at General Hospital of Sidoarjo Regency.**

The present of paradigm displacement service with entrepreneur soul need time for structural and functional scope to perception compare in harmonization create work relation that fine between line and staff of *RSUD* Sidoarjo Regency.

##### **b. External Constraint In Implementation Region Agency Public Service (BLUD) at General Hospital of Sidoarjo Regency.**

General Hospital of Sidoarjo regency in work to applying the Regional Public Service Board (*BLUD*), still have a problem in rule

various of implementation as a Regional Public Service Board (*BLUD*) that include by:

1. Cost and transaction process is still have not gotten performance basis, this case concerned with the data that used to that accounting still used activity planning and budget mechanism (*RKA*) and Budget ceiling list (*DPA*).
  2. Besides that, there is no police that manage about operational procedure and optimali-zation modules application Management Information hospital System (*SIM-RS*) that caused of not accurate yet financial accountancy data.
  3. Now, *RSUD* Sidoarjo Regency also in education step and Plan Action Strategic arrangement (*SAP*), so installation suggest exceed Budget already being established, and partly are not appropriate with priority necessity of business and budge plan (*RBA*).
  4. A budgets validating delay, caused of necessity goods and service supply for *RSUD* Sidoarjo Regency regularly, availability and completeness medicine is insatiable yet maximally to support consumer necessity.
  5. Medium and infrastructure relates to process common service is still need to increment and maintained which program-med and available of medium and infrastructure to support *RSUD* Sidoarjo Regency service that quality and qualified.
  6. The number of employee medical staff, nurse and midwife totality still correspondence to standard clerk.
- b. Management information system developmental activity Hospital (*SIM – RS*) adequately takes in success. For that, the next years have to develop continuation module optimally as auxiliary *SIM – RS* that used in currently and *SIM – RS* operational audit shall be carried on chronically.
  - c. Still have not unit cost calculation (cost per unit) in rate determination and still present re-entry system billing data for service collaboration, and then it can influence the income of acceptance and cost, and was accurate accountancy finances data of *RSUD* Sidoarjo Regency.
  - d. The quality of service place and service quality, and Service Minimum Service Standard (*SPM*) Region Common Hospital Regency Sidoarjo has experienced raising, however it's still not correspondent yet to *SPM* standard as corporation of Regional Public Service Board (*BLUD*)
  - e. For the number of employment still not appropriate yet with the standard clerk requirement that is at Regency Region Common Hospital Sidoarjo, so extant medical power and nurse who have to shortly be sufficed.
  - f. Base on the Human Resource Quality (*SDM*), all of medical power was graduated from competence test, meanwhile for nurse power and others supporter, still not wholly yet to abreast of competence test, however mostly have has the Registration Sign Certificate.

### **Conclusion**

Based on the discussion above it can be concluded as follows :

- a. Base on the performance ministering to customer can be concluded that



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