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The Regional Mechanisms for Implementing State Health Policy: Executive Functions of Local Administrations and Self-Government Bodies

Zoriana Buryk [1 *] • Nina Petrukha [2, 3] • Myroslav Buryk [4]

[1] *Hryhorii Skovoroda University in Pereiaslav (Ukraine). Professor at the Department of Public Administration and Management, Doctor of Sciences in Public Administration, Professor.*

[2] *Kyiv National University of Construction and Architecture (Ukraine). Associate Professor at the Department of Management in Construction, PhD in Economics, Associate Professor.*

[3] *Bogomolets National Medical University (Ukraine). Associate Professor at the Department of Health Management, Institute of Public Health and Preventive Medicine, PhD in Economics, Associate Professor.*

[4] *Hryhorii Skovoroda University in Pereiaslav (Ukraine). Associate Professor at the Department of Public Administration and Management, PhD in Public Administration.*

* ***Corresponding Author,*** e-mail: z.burik@ukr.net

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ABSTRACT

The article examines the distinct characteristics of regional mechanisms for implementing state health policy in Ukraine, concentrating on the executive responsibilities of local state administrations and self-government bodies that facilitate the practical implementation of national decisions in the healthcare sector. The relevance of this study arises from the ongoing decentralization processes, the reform of the national healthcare system, and new social challenges brought by the war, demographic decline, and economic instability. Under these conditions, the regional level of governance has become crucial in determining the overall efficiency of the healthcare sector – particularly in ensuring public access to quality services, maintaining safety standards, and strengthening the financial sustainability of local communities. The main objective of the research is to examine the structure, mechanisms, and guiding principles of public health management at the regional level and to identify the key factors that influence the effectiveness of policy implementation in this domain. The analysis highlights the leading functions of local state administrations, including the execution of national programs, coordination of healthcare institutions, budget management, and monitoring of the epidemiological situation. It also reveals the important role of self-government bodies in maintaining and developing municipal healthcare institutions, financing local health programs, and involving the public in decision-making processes. The findings demonstrate that the current model of regional healthcare governance in Ukraine has evolved into a multi-level system that integrates both national and local interests. Decentralization has contributed to greater autonomy of territorial communities, enhanced transparency and accountability, and improved adaptability of managerial decisions to the real needs of citizens. At the same time, the efficiency of this system largely depends on the financial capacity of local budgets and the effectiveness of state support mechanisms. The Program of Medical Guarantees plays a central role in this regard, ensuring targeted allocation of funds to priority areas of healthcare – including primary, emergency, specialized, palliative, rehabilitative, and pharmaceutical services. Based on the conducted analysis, the study proposes a set of recommendations aimed at improving regional healthcare governance mechanisms. These include strengthening intersectoral cooperation, advancing electronic monitoring systems, enhancing the financial resilience of local communities, and implementing transparent reporting procedures. The realization of these measures is expected to improve access to healthcare, promote social equity, and contribute to the sustainable development of public administration in the health sector.

KEYWORDS

regional mechanisms, public administration, healthcare, local state administrations, local self-government bodies, decentralization, Program of Medical Guarantees, healthcare financing, social equity, accessibility, public policy, public administration mechanisms, medical services, healthcare system, medical reform, medical infrastructure, financing, war, digitalization, health insurance, human resource potential, treatment, healthcare institutions, system, doctor, patient.

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Регіональні механізми реалізації державної політики в сфері охорони здоров'я: виконавчі функції місцевих адміністрацій та органів самоврядування

Зоряна М. Бурик [1]* • Ніна М. Петруха [2, 3] • Мирослав М. Бурик [4]

[1] *Університет Григорія Сковороди в Переяславі (Україна). Професор кафедри публічного управління та адміністрування, д-р. держ. упр., професор.*

[2] *Київський національний університет будівництва і архітектури (Україна). Доцент кафедри менеджменту в будівництві, канд. екон. наук, доцент.*

[3] *Національний медичний університет імені О. О. Богомольця (Україна). Доцент кафедри менеджменту охорони здоров'я ННІ громадського здоров'я та профілактичної медицини, канд. екон. наук, доцент.*

[4] *Університет Григорія Сковороди в Переяславі (Україна). Доцент кафедри публічного управління та адміністрування, канд. держ. упр.*

*** *Автор-кореспондент,*** e-mail: z.burik@ukr.net

СТАТТЯ

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АНОТАЦІЯ

У статті розглянуто особливості функціонування регіональних механізмів реалізації державної політики у сфері охорони здоров'я в Україні. Акцент зроблено на виконавчих повноваженнях місцевих державних адміністрацій та органів місцевого самоврядування, які забезпечують практичне втілення державних рішень у сфері медичної допомоги. Актуальність дослідження зумовлена масштабними процесами децентралізації, реформуванням системи охорони здоров'я та появою нових соціальних викликів – наслідків війни, демографічного спаду, економічної нестабільності. У цих умовах саме регіональний рівень управління визначає ефективність функціонування медичної галузі, зокрема забезпечення доступу населення до якісних послуг, контроль за їхньою безпекою та рівнем фінансової спроможності громад. Мета дослідження полягає у з'ясуванні структури, механізмів і принципів публічного управління охороною здоров'я на регіональному рівні, а також у виявленні чинників, які впливають на результативність виконання державної політики в цій сфері. У процесі аналізу визначено провідні функції місцевих державних адміністрацій – реалізацію державних програм, координацію діяльності медичних установ, управління бюджетними потоками, моніторинг епідемічної ситуації. Розкрито роль органів місцевого самоврядування у розвитку комунальних медичних закладів, організації фінансування місцевих програм охорони здоров'я та залученні громадськості до прийняття управлінських рішень. Результати дослідження свідчать, що сучасна модель регіонального управління охороною здоров'я в Україні набуває рис багаторівневої системи, у якій поєднуються державні та місцеві інтереси. Децентралізація сприяє зростанню автономії територіальних громад, підвищує прозорість, підзвітність і адаптивність управлінських рішень до реальних потреб населення. Водночас ефективність системи великою мірою визначається фінансовими можливостями місцевих бюджетів і механізмами державної підтримки. Ключову роль тут відіграє Програма медичних гарантій, яка забезпечує адресне спрямування коштів на пріоритетні напрями медичної допомоги – первинну, екстрену, спеціалізовану, паліативну, реабілітаційну та фармацевтичну. На основі проведеного аналізу запропоновано комплекс рекомендацій щодо вдосконалення регіональних механізмів управління охороною здоров'я. Йдеться про необхідність посилення міжсекторної взаємодії, розвитку електронних систем моніторингу, підвищення фінансової стійкості місцевих громад і впровадження прозорих процедур звітування. Реалізація цих заходів сприятиме підвищенню доступності медичних послуг, зміцненню соціальної справедливості та забезпеченню сталого розвитку публічного управління у сфері охорони здоров'я.

КЛЮЧОВІ СЛОВА

регіональні механізми, публічне управління, охорона здоров'я, місцеві державні адміністрації, органи місцевого самоврядування, децентралізація, Програма медичних гарантій, фінансування медичних послуг, соціальна справедливість, доступність, державна політика, механізми державного управління, медичні послуги, система охорони здоров'я, медична реформа, медична інфраструктура, фінансування, війна, цифровізація, медичне страхування, кадровий потенціал, лікування, заклади охорони здоров'я, система, лікар, пацієнт.

1. Introduction

Providing citizens with quality medical services occupies a key place among the priorities of the modern social policy of Ukraine [6]. The implementation of the constitutionally guaranteed right to health care provides for the functioning of an effective system of public administration capable of providing equal opportunities for access to medical care for all segments of the population – regardless of territorial location, socio-economic status or level of material well-being [21]. At the practical level, the effectiveness of the implementation of this right is determined, first of all, by the quality of the activities of local state administrations and local self-government bodies, which are delegated the leading powers to organize, coordinate and control the provision of medical services within the relevant administrative-territorial units [20].

In the context of the current stage of state formation, which is marked by martial law, the issue of optimizing and increasing the effectiveness of regional management in the field of health care is of particular importance. Large-scale internal displacements of the population, destroyed medical infrastructure, shortage of human resources and the need for prompt response to crises necessitate effective interaction between central and local authorities [23]. The consistency of managerial decisions and actions at the regional level is a determining factor in the ability of the health care system to maintain stability, ensure the continuity of medical care and the implementation of basic social guarantees in times of crises and social challenges.

At the same time, the financial support of the healthcare sector occupies a leading place among the factors affecting the level of availability and quality of medical services. In the absence of stable and predictable funding, even the most thoughtful reforms lose their effectiveness, as local communities are not able to fully support the functioning of medical institutions and guarantee fair access of the population to medical care. According to official data, in 2023, the volume of public expenditures on health care amounted to UAH 217.4 billion, which reflects a gradual increase in funding for the industry as part of the reform of the health care system [8]. The State Budget of Ukraine for 2025 provides for a further increase in funding for the development of medical infrastructure, updating the material and technical base of institutions, expanding the digitalization of medical services and introducing innovative technologies in the field of diagnostics and treatment [5]. Such dynamics indicates the priority of the industry in the structure of public expenditures and at the same time emphasizes the need for rational distribution of resources between regions.

Despite the positive developments, one of the key problems remains the lack of coordination between local executive authorities and self-government bodies, which complicates the process of managing medical infrastructure, planning resources and responding to crises [1, p. 4]. Duplication of functions, lack of clear procedures for interaction, limited financial capabilities of territorial communities and uneven staffing lead to a decrease in the efficiency of the health care system in the regions.

Against the background of these challenges, the need to develop and implement an integrated approach to regional health care management, which should combine legal regulation, stable financial support, strategic planning and modern tools of coordination and control, is of particular importance [15, p. 257]. Solving these problems involves the formation of an integrated management model based on the principles of decentralization, accountability, efficient use of resources and transparency of managerial decision-making. Such a model creates the basis for the gradual and balanced development of regional health care systems, helps to strengthen the social resilience of communities and increases the level of protection of the population in the face of military challenges and recovery after them.

2. Literature Review

Scientists are actively researching the problems of implementing state policy in the field of healthcare. N. T. Kolisnichenko emphasizes that modern trends in the development of public administration require strengthening regional coordination and the introduction of effective mechanisms for resource management [6]. Zh. F. Zhovnirchyk et al. focus on the transformation of the system of public health care management under martial law, which is key to ensuring the stability of the medical system [23]. M. M. Babenko notes the importance of integrating the pharmaceutical industry and medical institutions into a single management system to increase the efficiency of service provision [8].

In a number of scientific researches, V. Kuybida focuses on systemic problems of the functioning of local executive authorities, in particular, on the fragmentation of managerial communications between different levels of state management. The scientist emphasizes that the lack of clear coordination and interaction can significantly reduce the effectiveness of public policy implementation, which justifies the need to improve the mechanisms of inter-level coordination in the public sector [7].

Y. M. Siryi emphasizes that the effectiveness of local authorities in the context of crisis transformations is determined by their flexibility, ability to quickly respond to unforeseen circumstances, make timely management decisions and rationally use available resources [16].

According to the position of Y. V. Yakovchuk, local state administrations act as a system-forming link in the structure of regional management, ensuring the coordination of the activities of health care institutions, the implementation of state programs and the support of the organizational stability of the industry [22].

N. O. Polkovnikova emphasizes that local self-government bodies play not only an executive role in the implementation of state decisions, but also function as a driving factor in the development of medical infrastructure. Their participation in ensuring resource, institutional and organizational potential significantly affects the overall efficiency of the health care system [13].

N. D. Didyk notes that state policy in the field of public health should take into account social and humanitarian challenges, in particular the consequences of hostilities, internal displacement of the population and the growing need for medical support. These factors directly determine the level of efficiency of medical services and require adaptive management strategies [13].

E. Duliba emphasizes that during martial law, the key priorities of the department are the efficiency of decision-making, the mobilization of local resources and ensuring the continuity of the health care system [4].

In the context of the implementation of state policy in the field of health care, regional executive authorities and local self-government bodies form the basis of effective financial, organizational and personnel management. During crises – such as the COVID-19 pandemic or active hostilities – their role becomes strategically important, as they are responsible for operational coordination of actions, support for health care facilities, monitoring socio-economic processes and maintaining basic social guarantees.

As noted by S. V. Petrukha et al., the impact of quarantine restrictions is multidimensional: it covers not only immediate consequences for public health, but also indirect economic effects, such as a decrease in business activity, a reduction in investment, an increase in unemployment and an increase in shadow economic practices [12].

During the war in Ukraine, there was a need to adapt state financial and regulatory instruments to wartime conditions. N. Petrukha et al. note that “the war in Ukraine has posed an unconventional complex of socio-economic, financial-budgetary, monetary and political challenges of a crisis nature and caused the need for the further role of the existing economic paradigm of development and resource provision of the Strategy for Reforming the Public Finance Management System” [11].

It is also important to use digital and marketing approaches in the activities of regional medical institutions. As N. Petrukha et al. emphasize, “methods are chosen for collecting, processing and analyzing statistical information. For the effective identification of the points of interaction that characterize the contact between the doctor and the patient, it is envisaged to use creative techniques – appropriate techniques and methods for finding fundamentally new ways to solve routine problems” [10].

Thus, modern scientific literature demonstrates that in order to increase the efficiency of regional management of the health care system, it is necessary to comprehensively combine regulatory support, financing, coordination and control over the provision of medical services.

3. Problem Statement

The purpose of this study is to theoretically understand and systematically substantiate effective management mechanisms for the implementation of state policy in the field of health care at the regional level. Achieving this goal involves analyzing the functional role of local state administrations and local self-government bodies as key agents in ensuring coordination, resource support and organizational management of the medical care system. This approach allows us to determine the directions of optimization of management processes, increasing the effectiveness of the implementation of state

programs and ensuring the sustainability of regional health care systems in the context of socio-economic transformations and crisis challenges.

4. Methods and Materials

The study was carried out on the basis of a comprehensive analysis of open analytical, statistical and regulatory sources, as well as with the use of modern scientific approaches to the study of problems of public administration in the field of healthcare, decentralization processes and implementation of regional policy in Ukraine. The scientific purpose of the work was to determine the specifics of the functioning of mechanisms for the implementation of state policy in the medical field at the regional level, to assess the effectiveness of local state administrations and local self-government bodies, as well as to identify factors that affect the accessibility, quality and efficiency of medical services to the population.

The collection and systematization of statistical data was carried out on a regional basis using official reporting of the Ministry of Health of Ukraine, data of the State Statistics Service, analytical materials of local state authorities and self-government bodies, as well as open registers of the National Health Service of Ukraine (NHSU). The empirical base included indicators of budget financing of the medical industry in dynamics, parameters for the implementation of the Medical Guarantee Program, distribution of financial resources between levels of medical care (primary, secondary and highly specialized), as well as data on the network of medical institutions and the number of medical workers by region.

To achieve the set goals, an integrated methodological approach has been applied, integrating quantitative and qualitative research methods. Descriptive statistics tools were used to identify funding trends, record structural shifts in the system of medical services, and assess regional disparities in their accessibility. At the same time, a content analysis of the current regulatory legal acts, in particular the Laws of Ukraine "On Local State Administrations", "On Local Self-Government in Ukraine" and the relevant by-laws of the Ministry of Health, was carried out, which made it possible to outline the competence boundaries of authorities of different levels and determine their managerial role in ensuring the functioning of the regional health care system.

5. Results and Discussion

The healthcare sector in Ukraine is currently undergoing a stage of deep structural modernization aimed at increasing the efficiency of management processes, improving the quality of medical services and ensuring equal access of the population to them. One of the key areas of transformation is the strengthening of competencies and strengthening the institutional role of the regional level in the practical implementation of state policy in the medical field [7].

Executive functions in the system of public health care management at the territorial level are assigned to local state administrations operating in regions, districts and cities [16, p. 123]. They play the role of a representative link of state power at the local level, ensuring the implementation of strategic government decisions and regulations, as well as facilitating the integration of central initiatives into the local context. The main activities of such administrations include:

– organization of the activities of state medical institutions and ensuring their functional capacity;

– management of financial flows in the field of health care and control over the effective use of budget resources;

– coordination of the work of territorial subdivisions of central executive authorities;

– prompt response to threats to the life and health of citizens by monitoring the epidemiological situation and implementing the necessary measures in crisis conditions, in particular during epidemics, pandemics or man-made disasters;

– implementation of state and regional programs of preventive, socio-medical and humanitarian direction, in particular in the areas of maternal and childhood protection, development of the emergency medical care system, etc. [13, pp. 264–265].

As Y. Duliba emphasizes, an integral element of the management system is the territorial subdivisions of the central executive authorities, which actually implement state policy within the boundaries of individual administrative-territorial units [4, p. 46]. They perform control, analytical and

coordination functions, provide supervision over compliance with regulatory requirements and support feedback between central and local government structures.

As a result, a two-tier model of accountability is formed, integrating the central and local levels of government. Such a design contributes to the balancing of managerial powers, increasing the adaptability of regional policy and ensuring the efficiency of managerial decision-making in the field of healthcare.

The main component of the regional health care management system is local self-government bodies, which function within the framework of the Constitution and the current legislation of Ukraine, exercising both their own and delegated powers by the state. They act as representatives of territorial communities, which ensures their closest position to the population and allows them to quickly respond to local needs. The activities of local self-government bodies in the field of health care cover the following key areas:

– maintenance and development of communal health care institutions;
– ensuring the availability of medical services for the community population;
– decision-making on the creation, reorganization or liquidation of medical institutions;
– financing of local health care programs at the expense of the budgets of territorial communities;
– involvement of the public in the discussion of issues related to the organization of medical care, which increases the transparency and accountability of management decisions [23, p. 447].

The integration of local self-government bodies creates an additional level of control, contributes to taking into account the interests of the population in the decision-making process and ensures the effective use of resources, taking into account regional specifics. As a result, a multi-level system of health care management is formed, where the state establishes general rules and standards, and local authorities adapt them to specific conditions and ensure the practical functioning of the system on the territory of their communities.

According to the provisions of Articles 13, 18 and 22 of the Law of Ukraine "On Local State Administrations" [21], local state administrations are key subjects in the implementation of state policy in the field of healthcare. They play a leading role in ensuring the implementation of decisions of central authorities, implementing specialized programs and monitoring compliance with current legislation. Within the framework of their powers, administrations organize the activities of subordinate medical institutions, develop and implement regional programs for the development of health care, carry out analytical monitoring of the health status of the population and coordinate preventive measures.

A significant part of the functional load in the management system is made up of specialized departments and departments of health care created in the structure of local state administrations. They ensure the coordination of actions between the regional and state levels, performing a coordination and organizational function and contributing to the practical implementation of the state policy in the field of healthcare.

The administrative vertical in the medical industry is built on the principle of double accountability. On the one hand, structural units of local administrations are controlled by the heads of administrations and, at the same time, by the relevant central executive bodies, which makes it possible to ensure that local policy is in line with national priorities. On the other hand, there are territorial subdivisions of central executive bodies, which play the role of state representations in the regions and ensure the continuity of the vertical of management [6, p. 40].

Such structures in the field of health care include, in particular:

– regional departments of state control over compliance with the requirements for the circulation of medicines, medical devices and controlled substances, which perform supervisory and regulatory functions;
– interregional departments of the National Health Service of Ukraine (NHSU), which operate in the territory of several regions and are responsible for concluding contracts with health care institutions, financing the services provided and monitoring the targeted use of budget resources [2, pp. 141–142].

The synergy between these elements forms an integrated management system that combines state regulation and regional autonomy, ensuring a balance between centralized control and local policy adaptation. Schematically, the structure of public health care management at the regional level is presented in Fig. 1.

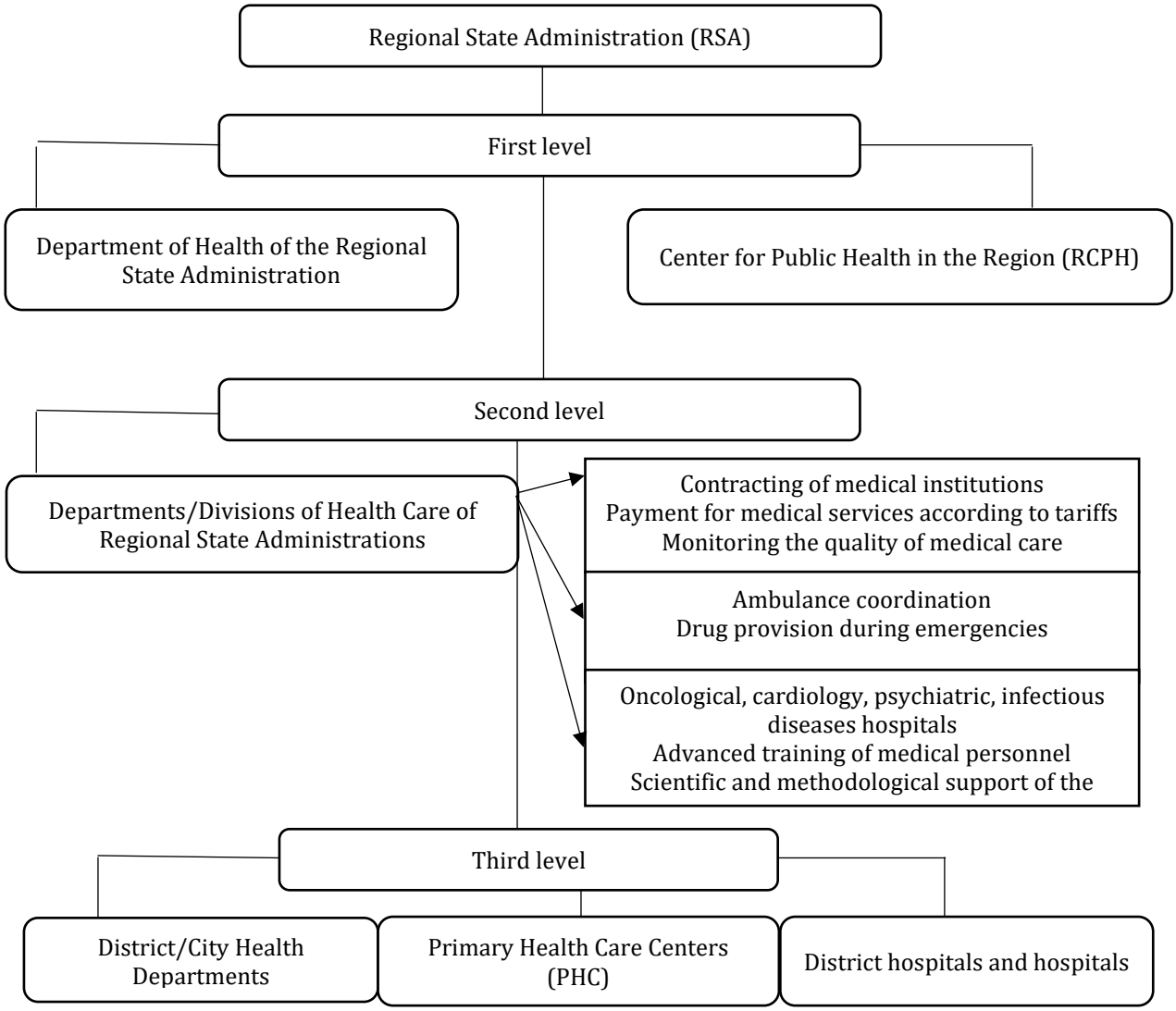

Figure 1. Hierarchical scheme of public health care management in Ukraine at the regional level

Source: Author's own development.

In the context of modern transformations of public administration, a key aspect of the effectiveness of the health care system is the coordinated interaction between local state administrations and local self-government bodies. The legally defined need for such cooperation reflects the desire to ensure not only the implementation of state regulations, but also the integration of the interests of communities into the decision-making process. Coordinated communication between these institutions forms prerequisites for openness and transparency of management processes, as well as creates effective mechanisms for public participation in planning, implementation and control over the implementation of state policy in the field of health care [22, p. 263]. In this sense, local public administrations play the role of a coordinating link that combines the efforts of different subjects of power and ensures a balance between state priorities and local needs.

Along with administrative structures, local self-government bodies play a significant role in the implementation of regional health care policy. Their activities are carried out through the decisions of local councils, the functioning of executive committees and the work of heads of territorial communities – village, township and city mayors. It is the executive bodies of local self-government that are responsible for the direct management of communal medical institutions, organizational and economic activities and financial support of institutions. They are the closest to the population management entity, able to take into account regional characteristics and adapt health care policy to local needs.

Legislatively, in accordance with Article 32 of the Law of Ukraine "On Local Self-Government in Ukraine" [20], the competence of local councils covers not only health care, but also related social areas – education, culture, physical culture and sports, youth policy. Such an intersectoral approach makes it possible to form a comprehensive strategy for the implementation of social policy at the level of

territorial communities, where the medical component is integrated into the broader context of ensuring the well-being of the population. Within the framework of these powers, self-government bodies are responsible for organizing the provision of medical care in communal institutions, developing the material and technical base of medical institutions, financing preventive and public health programs, as well as creating conditions for the formation of a healthy lifestyle.

Together with the legislative framework, the practical implementation of these functions is important. Scientific studies show that at the district and regional levels, executive bodies of local self-government often perform a reduced role, and the main volume of managerial functions in the field of health care is taken over by the local state administration. As M. Babenko notes, administrations actually compensate for the lack of executive structures at the local level, ensuring the implementation of delegated powers and the stability of management processes [14, p. 558]. Such a mechanism allows you to maintain continuity of management even in difficult crisis conditions, including a pandemic or military threats.

No less significant is the role of heads of health care institutions, in particular directors and medical directors, who carry out management directly within organizations. They are responsible for the strategic development of the institution, planning activities, organizing personnel work, monitoring the use of financial and economic resources and ensuring the quality of medical services. Scientists Y. Zhovnirchyk et al. note that the managerial functions of the heads of state and municipal medical institutions are of a public nature, since they are implemented within the powers delegated by the authorities, and the institutions themselves do not have the status of autonomous public administration bodies [21, p. 449].

From the point of view of the theory of public administration, management in the field of health care goes far beyond organizational management and covers a set of tasks aimed at ensuring the implementation of state policy. It includes legal regulation that sets standards for the activities of medical and pharmaceutical institutions, regulates access to medical and pharmaceutical services and forms mechanisms for ensuring their accessibility to the population. The key elements of such mechanisms include the organization of emergency, primary, specialized and highly specialized medical care, as well as the provision of rehabilitation services and pharmaceutical support.

The coordinated activities of local state administrations, self-government bodies and heads of medical institutions create an integrated system of public administration that combines state regulation with regional autonomy. This approach ensures a balance of managerial powers, increases the adaptability of regional policy and creates prerequisites for the stable development of the health care system, as well as improving the quality and accessibility of medical services for the population at the local level.

One of the key aspects of effective public administration in the field of health care is systematic control over the quality, safety and availability of medical and pharmaceutical services. It is through the provision of these parameters that the constitutional right of citizens to health care and access to an appropriate level of medical care is realized. In the current conditions of state policy, the formation of a guaranteed state package of medical and pharmaceutical services, which provides not only for the provision of medical care, but also for the provision of the population with the necessary medicines at the expense of budgetary resources, is of particular importance. The introduction of such mechanisms reflects the principle of social justice, which constitutes the conceptual basis for the functioning of the public health care management system and ensures the legitimacy of managerial decisions in this area.

Directly related control activities cover a wide range of areas – from monitoring compliance with legal requirements and assessing the quality of medical services to checking the safety of medical technologies and medicines. This includes certification of medical devices, control over compliance with ethical standards of medical workers, as well as ensuring compliance with sanitary and epidemiological standards. According to domestic researchers, the presence of effective control and regulatory mechanisms forms citizens' trust in the state health care system, which, in turn, determines the stability and effectiveness of its functioning [15, p. 258]. Thus, the control function is not only an instrument of regulatory support, but also an important factor of legitimacy and public recognition of public administration.

The quality and safety assurance system for medical and pharmaceutical services is based on the interaction of two interrelated components – organic and functional. The organic component represents a set of specialized state bodies and institutions responsible for regulation and control in the field of health care and pharmacy. Such structures include the State Service of Ukraine on Medicines and Drug

Control [18], the Department of Licensing and Quality Control of Medical Care of the Ministry of Health of Ukraine [9], the Department of Pharmaceutical Activities of the Ministry of Health and the State Expert Center of the Ministry of Health of Ukraine [17], as well as regional divisions within regional, city and district state administrations and executive committees. Interaction between these bodies ensures the integrity of the regulatory supervision system and creates prerequisites for the effective implementation of state policy at all levels.

The functional component of the system includes a set of management processes and procedures aimed at ensuring quality standards for medical and pharmaceutical services. Among them are licensing of medical practice, accreditation of health care institutions, standardization of medical protocols, certification of specialists, certification of medical devices and technologies, as well as systematic assessment of the effectiveness of the implementation of medical innovations. We believe that such a two-component model allows harmoniously combining regulatory regulation with the practical implementation of standards at the level of health care institutions, ensuring accountability and control at the same time.

A particularly important change that has occurred within the framework of the reform of the healthcare system in Ukraine since 2017 was the introduction of the principle of financing "money follows the patient". Its essence is to provide funding not on the basis of the maintenance of medical institutions, but depending on the volume and quality of services actually provided. The introduction of this approach pursued strategic goals: increasing the transparency of the allocation of budget funds, stimulating the efficient use of resources, as well as creating conditions for competition of health care institutions by improving the quality of service. Thus, this mechanism integrates financial incentives with performance control, providing a more dynamic and transparent management system.

Financial and economic indicators of recent years indicate the presence of two interrelated trends in the field of healthcare: on the one hand, there is a positive dynamics of funding growth, and on the other hand, the emergence of new challenges related to the efficiency of the use of budget resources, ensuring transparency of their distribution and strengthening the targeting of state programs [5; 8]. Thus, in 2023, the total amount of funding for healthcare in Ukraine amounted to UAH 217.4 billion, of which UAH 181.8 billion came from the state budget, which corresponded to about 6% of all state budget expenditures. At the same time, the largest share of resources – UAH 139.4 billion – was directed to the implementation of the Medical Guarantee Program (MGP), which is a key tool for ensuring free access of citizens to medical services. In particular, within the framework of this program, UAH 4.7 million was used to reimburse the cost of medicines under the reimbursement mechanism [19]. Such a structure of expenditures indicates the gradual formation of the institutional and financial capacity of the state to maintain a stable mechanism for financing basic services, which is of decisive importance for the creation of a modern socially oriented model of health care.

At the same time, against the background of positive trends, the growth of funding puts forward new tasks, among which the key is the transition from an extensive cost model to a model focused on efficiency and efficiency. In this context, the role of the National Health Service of Ukraine (NHSU), which ensures the conclusion of contracts with medical institutions on the principles of transparency, competition and equal access to resources, is of particular importance. It is through the SGP mechanism that the financial and economic basis for the implementation of the constitutional right of citizens to health care is formed, which determines the effectiveness of state policy and the level of social justice in the field of medical services.

As of 2024, financial support for the healthcare system showed a steady upward trend, reaching a total of UAH 238.7 billion, of which UAH 204.2 billion were state budget funds and interbudgetary transfers to local budgets [5]. Compared to the previous year, an increase of more than 9.8% was recorded, which indicates the preservation of state priorities in the field of healthcare even under martial law, economic instability and resource constraints. At the same time, the amount of funds allocated for the implementation of the SGP amounted to UAH 157.3 billion, ensuring the provision of primary, emergency, specialized and highly specialized medical care, as well as rehabilitation, palliative care and drug services. This cost structure indicates the state's desire to form a balanced health care system, where efficiency, social justice and sustainable development of the industry are interrelated priorities.

The growth of budget expenditures on medicine is of particular importance in the context of armed aggression, internal migration processes and growing socio-economic risks. The gradual expansion of state funding programs helps to reduce regional disparities in access to medical services

and creates preconditions for Ukraine's integration into the European health care area [2, p. 145]. Such strategic positioning of the state emphasizes the importance of financial stability as a key factor of social sustainability.

Visualization of the dynamics of funding volumes by main items is shown in Fig. 2, which clearly demonstrates a gradual shift in emphasis from infrastructure financing to the direct provision of patient-centered medical services. This trend reflects the desire of the state to create a system that provides not only mechanical redistribution of funds, but also real effectiveness in the provision of medical care and improving its quality.

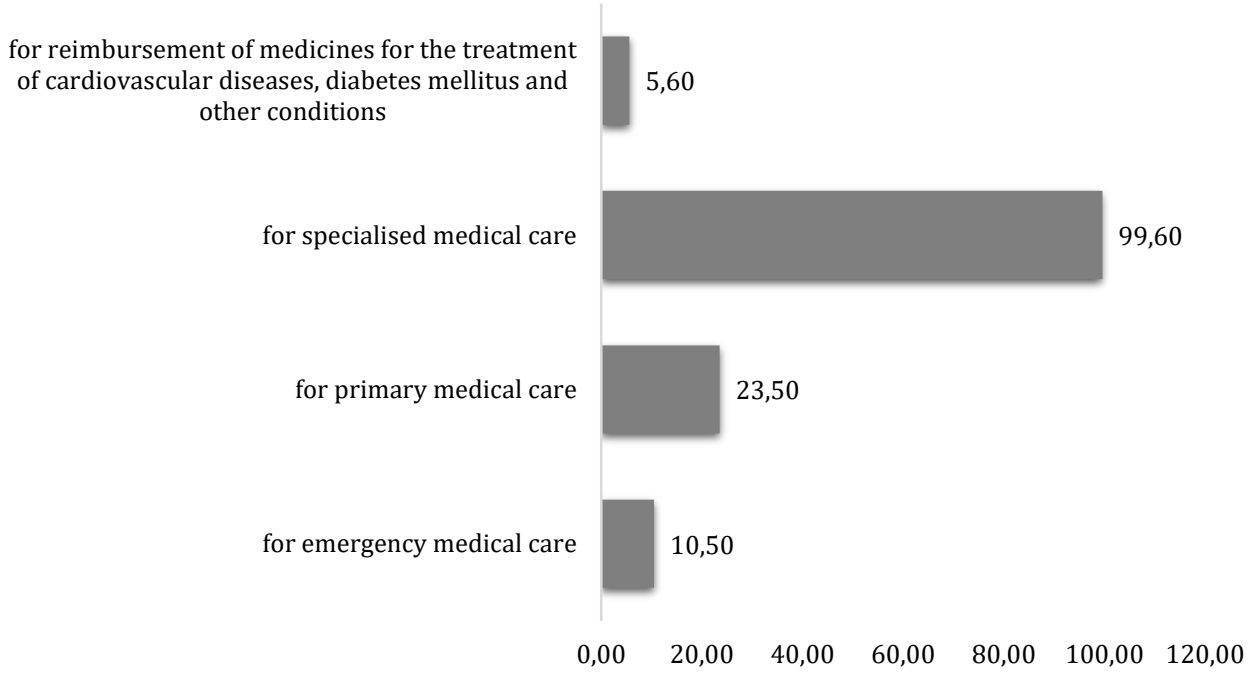

Figure 2. Financing of the Medical Guarantee Program (SGP), billion UAH

Source: Summarized by the author based on [18].

Forecast indicators for 2025 confirm the continuation of a stable trend of growth in financing of the healthcare system, which indicates a gradual strengthening of the financial mechanisms of the industry and an increase in the role of the state in providing medical guarantees for citizens. The state budget of Ukraine for 2025 provides for more than UAH 219.6 billion, which is 8% more than in 2024. Such dynamics reflect not only financial growth, but also the strategic orientation of the government to expand the availability of medical services and strengthen the social component of state policy in the field of health care [19].

Of the total funding for 2025 provided for the healthcare sector, UAH 175.5 billion is planned to be allocated for the implementation of the Medical Guarantee Program, which reflects an increase of 10.6% compared to the previous year. This trend indicates a systematic expansion of the range of state-guaranteed medical services and emphasizes the government's desire to ensure the proper level of quality and free treatment of citizens. At the same time, funding covers not only traditional areas – primary, emergency and specialized medical care, but also a number of strategic initiatives that reflect modern priorities of social policy. Among them are psychological support for the population, the development of transplantology, palliative care, rehabilitation programs for veterans and victims of hostilities, as well as the expansion of the list of medicines subject to reimbursement.

A special place in the structure of budget expenditures is given to the development of psychological and psychiatric care. In the context of hostilities and an increase in the level of post-traumatic disorders, the state, in accordance with constitutional guarantees, is obliged to ensure not only the physical, but also the mental health of citizens. Increasing funding in this area allows expanding the network of crisis centers, training psychological support specialists, and guaranteeing access to free services for veterans, internally displaced persons, and the population affected by hostilities. This approach not only increases the social stability of the community, but also forms the population's trust in the state health care system.

An equally significant element of financial policy is the development of transplantology and high-tech medicine. It is predicted that in 2025 there will be an increase in state funding for organ transplantation programs, the renewal of medical equipment in leading clinics and the creation of a national electronic donor registration system. Such measures will not only reduce the need for Ukrainians for treatment abroad but also contribute to the sustainable development of domestic medical infrastructure based on innovative technologies, creating conditions for improving the efficiency and quality of medical care.

At the same time, the strategic direction remains the expansion of rehabilitation services for people with injuries, disabilities and military personnel returning from the front. The government plans to invest in the creation of modern rehabilitation centers, the training of highly qualified specialists in physical therapy, psychology and occupational therapy, as well as in the development of telemedicine solutions that will ensure the continuity of treatment even in remote regions. Such an integrated approach ensures the integration of medical, social and psychological components into the rehabilitation process, which allows not only to restore the physical functions of patients, but also to support their social adaptation and psycho-emotional health.

Thus, the projected funding for 2025 demonstrates the systemic nature of the state policy in the field of healthcare. It combines approaches aimed at providing basic medical guarantees, developing innovative areas and creating conditions for comprehensive social and medical support for citizens. Such a strategy not only strengthens the institutional capacity of the state but also forms the prerequisites for the sustainable development of the industry, increasing the level of public confidence in the medical system and ensuring the principles of social justice in the provision of medical services.

6. Conclusions

As a result of the analysis, it is revealed that the process of decentralization has significantly transformed the system of public administration in Ukraine, in particular in the field of social policy implementation. The expansion of the powers of territorial communities created preconditions for increasing autonomy at the local level, providing local self-government bodies with greater freedom in making managerial decisions, planning budget resources and their effective distribution in accordance with the needs of the population. At the same time, this transformation is accompanied by a number of systemic challenges, among which it should be noted the insufficient institutional capacity of individual local self-government bodies, uneven access to social services in different regions of the country, and the growth of regional disparities exacerbated by the impact of military events.

The problems of implementing social policy were especially acute in the context of armed aggression, which significantly complicated the implementation of social programs, destroyed a significant part of the infrastructure, caused a shortage of qualified personnel and significantly increased the burden on the social protection system. First of all, this concerns the provision of assistance to internally displaced persons and residents of the affected territories, which requires a high level of adaptability, quick decision-making and effective use of available resources from the authorities.

Optimization of the public administration system in the social sphere is impossible without strengthening coordination between state and local bodies. In this context, the formation of effective mechanisms for monitoring the quality of social services, as well as the involvement of civil society institutions in assessing their effectiveness, is of particular importance. This approach, in our opinion, allows us to create feedback between service providers and the community, increase the transparency of management decisions and ensure a more accurate response to the needs of the population. At the same time, increasing the efficiency of managerial decisions in the social sphere is impossible without improving financial mechanisms, developing human resources and widespread introduction of digital technologies to control and analyze the effectiveness of program implementation.

In the future, it is advisable to direct further scientific research to the development of new approaches to assessing the effectiveness of the system of social services in crisis conditions, in particular in the context of war and post-war challenges. An important direction is also the improvement of models for ensuring equal access of citizens to basic social guarantees, which will not only increase the social sustainability of territorial communities, but also ensure the integration of the principles of justice and efficiency into the strategic management decisions of the state. Thus, decentralization and optimization of the social governance system open up prospects for creating a more adaptive, transparent and community-centric model of public administration.

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