

**ANALYSIS OF UKRAINIAN ECONOMIC MODEL OF SOCIAL
PROTECTION SPECIALISTS OF PHARMACY AND DIRECTIONS
IMPROVEMENT ON THE BASIS OF SOCIAL PROTECTION SYSTEMS IN
THE EUROPEAN UNION**

TOLOCHKO V.M.

uef-ipksf@nuph.edu.ua

DPhill (Pharmacy), professor

*the head of Management and Economics of Pharmacy Department, Institute of
Pharmacy Specialists' Professional Development*

National University of Pharmacy

Kharkiv, Ukraine

ZARICHKOVA M.V.

zarichkova@ukr.net

PhD (Pharmacy), assistant professor

*assistant professor of Management and Economics of Pharmacy Department,
Institute of Pharmacy Specialists' Professional Development*

National University of Pharmacy

Kharkiv, Ukraine

ARTIUKH T.O.

art_tanya@ukr.net

PhD (Pharmacy), assistant professor

*assistant professor of Management and Economics of Pharmacy Department,
Institute of Pharmacy Specialists' Professional Development*

National University of Pharmacy

Kharkiv, Ukraine

MUZIKA T.F.

Muztom53@ukr.net

PhD (Pharmacy), assistant professor

*assistant professor of Management and Economics of Pharmacy Department,
Institute of Pharmacy Specialists' Professional Development*

National University of Pharmacy

Kharkiv, Ukraine

Nowadays the system of social protection (SP) of the population is important for the member states of the European Union (EU) with socially oriented market economy. European integration processes in Ukraine require the introduction of new regulatory measures for the implementation of the population social protection system. Social development of the community is essential in meeting the needs and aspirations of the people and in meeting the obligations of governments and of all sectors of civil society, particularly, of the pharmaceutical industry and its employees – pharmacy specialists (PhS). Therefore, the determination of the priorities of improving of the social protection for pharmacy specialists (SPPhS) in Ukraine is urgent [3].

Analysis of the literature showed, that the need for SP, as a particular system of legal rules, appeared in the middle of 1950s. However, there is no clearly defined legislative regulation of SPPhS in Ukraine till nowadays and there are a lot of

problems in this area. General issues of SP were investigated by L.Zabielin, M.Semashko, V.Durdenevsky, B.I.Stashkiva, M.L.Zakharov, Ye.H.Tuchkova, O.V.Posylkina, A.A.Kotvitska, A.S. Nemchenko, etc., but SPPHS problems actually were not studied. We emphasize SPPHS in our studies and suggest priorities for SPPHS improvement. The above stated has become the basis for our research.

We used the methods of logical, historical, analytical analysis; methods of sociological surveys (questionnaires and interviews) during the study.

Basing on the literature analysis, the foreign experience, particularly of the EU member states, seems to be reasonable for creating a modern and efficient system of SPPHS in Ukraine.

Basic principles and forms of SP in the EU member states are subject to the following legislative acts: the European Social Charter, the Community Charter of the Fundamental Social Rights of Workers, the Treaty establishing the European Community, Regulation 1408/71 (a complex act that defines the concept of a person in the SP) and others [1, 3, 5].

A lot of influential international organizations: International Association of Social Protection, International Labour Organization, UN, EU, EBRD, IMF, applying a lot of effort to improve social and economic situation in the world, have been found to resolve the SP-related issues.

Today, the international community prefers the SP system of the EU countries, which have achieved tangible results in the wealth growth of their citizens, labour force modernization and stability enhancing of the internal political situation, social compliance, etc. on the basis of socially-oriented economies.

The analysis of the literature shows: there are four economic models of SP in the EU countries:

1) Continental (Bismarck) model, developed according to the principle of professional solidarity. It is used in Germany and France. The model is based on the

insurance funds, which accumulate social earnings contribution and connect strongly the SP level with professional activity duration. The principle of professional solidarity, typical for this model, provides employees and employers with the fund management on the parity basis, allowing them to exist without the state budget support.

The powerful national social programs allow the poor, who do not receive insurance benefits (due to the lack of qualifying period) for various reasons, to receive a budget transfer.

2) Anglo-Saxon (Beveridge) model is based on the principle of national solidarity. It sets common conditions of social security payments and their size for all subjects. This model is focused on the dominance of social aid of state budget origin over the low social benefits of employees' and employers' insurance premiums in Great Britain and Ireland.

3) Scandinavian model applies social services and requirements for everybody without exception; it is not associated with either the insurance premium rates or the professional activity duration. This model is used in Denmark, Sweden and Finland. The active disposition of taxation funds by the governmental bodies equalizes the incomes and guarantees their receipt.

4) South European model is still on the stage of development. It has the following characteristics: low level of social protection, shifting the main burden of social support onto family members, passive state policy, focusing on the costs compensation only for particular categories of citizens. A significant asymmetry in the structure of social expenditures is also typical for this model. This model is used in Spain, Italy, Greece and Portugal [1-3, 5-10].

The establishment and operation of the structural funds should be mentioned among the most effective mechanisms of SP of the EU. These funds are coordinated by the European Council. The European Regional Development Fund, the European

Agricultural Guarantee Fund, the Cohesion Fund are the most functional institutions nowadays.

The emphasis is put upon two of the 13 existing programs – the “Employment” one and the “Adept” one. The purpose of the “Employment” program is to improve employment situation, to upgrade vocational training systems, to implement innovative methods in these areas. The purpose of the “Adept” program is to facilitate the employees’ adaptation to changes and challenges of the economy, to assist in competitiveness maintaining within new economic conditions. These programs are being constantly corrected, taking into account the requirements of the time. For example, the following sub-programs: SME (Support for the Small and Medium Sized Enterprises), Strade (strengthening of the technological base of small and medium sized enterprises), Telematic (providing with communication and telecommunications services) have been recently added to the “Adept” program. The types of assistance may include: measures of infrastructure development, industrial investment in job creation, education development, etc [1-3, 8].

Priorities of SP systems development in the EU countries are social activities, which promote innovative economic development on the basis of human capital improvement. A certain kind of SP and its provision depend on the size and number of contributions, made to the relevant institutions of SP. Right to SP is associated with the fact of living in one of the EU member states, but each country uses its own SP legislation [9, 10].

Referring to Ukraine, the process of an effective SP system creation depends on many factors, one of which is the use of foreign experience. The use of good practices of the EU countries and of important international organizations helps to identify the constructive way to achieve high standards of social life in our country and to develop various social programs for the domestic pharmaceutical industry, to introduce them into the government activity, having implemented them into state and regional legal framework. Ukraine has adopted the way of France and Germany, using the principle of professional solidarity with an emphasis on the insurance funds,

accumulation of social earnings contribution and the SP level dependence on professional activity duration. Certainly, it is impossible to copy the SP system of the developed countries in the legal field of Ukraine, but it is worth to use their good practice while building own SPPhS system [4, 6].

The main measures in Ukrainian sectorial legislation reformation are required to improve the SPPhS situation. Thus, the legislation, regulating social issues, is divided between various ministries, agencies and funds. At present time the relationship in the health sector is regulated by more than 5.5 thousand legislative acts. It is a too high number of the acts and the reformation and systematization are necessary for their use simplifying and effectiveness enhancing by all means considering industry specifics. It is necessary to adopt special laws, which can help to solve specific problems, including the provision PhS' rights and guarantees with the real meaning, for example, the Law "On the Social Protection of Pharmacy Specialists". These improvements will allow to reach European and world labour standards and social living standards of PhS.

The human right to the health care is one of the basic ones, however it is possible to take care of the patient, to protect PhS's right to the health only when PhS feels own protection. Insufficient PhS's rights protection is caused by such reasons, as the lack of clear legal mechanisms for exercising these rights; PhS' ignorance and lack of experience in their rights asserting.

The introduction of professional self-government in the health care system and of the mediation practice should become important measures to help to protect the PhS' rights like in every developed country. Mediation, as a method of protection of the rights and interests of subjects of legal relations in the health sector, obtains certain advantages – speed, lack of financial expenditures and conflict resolution without suing.

Historically, just SP of the population has developed in Ukraine but industry specific and SPPhS have been left without proper attention. Such disregard of SPPhS

has negative impact on the social situation of the pharmaceutical industry. Particularly, little attention is paid to a PhS as to a person. Therefore, it is necessary to introduce the terminological definition of SPPhS [8].

SPPhS is the function of the state on the implementation of social policy priorities in the pharmaceutical industry, i.e. the implementation of a set of formalized in legislation economic, legal and social guarantees, providing the PhS with the most important social rights in the professional activity, including adequate living standard, necessary for normal recovery and personal development.

SPPhS can be represented as: physical protection; support protection; preventive protection; compensative protection and be implemented in the form of social insurance, social assistance and social service to pharmacy specialists (SSPhS). Basic principles of the SSPhS should be as follows: targeting; transparency; voluntariness; humanity; the priority of social services to the population groups, who need such assistance most of all; preventive orientation [4, 6].

SSPhS shall have legislative and normative legal regulation and shall be based on state standards, which establish the main requirements for the amount and quality of social service, procedure and conditions of its provision. Complex social service centres, territorial social assistance centres, pharmaceutical enterprises can render SSPhS, regardless of the forms of ownership.

Wide-ranging reforming measures in the health care sector and the formation of the clear system of coordination between employer, organizations and executive agencies, that would promote the creation of a modern system of SSPhS, are required for effective reform in the pharmaceutical industry and for creation of the functional system of SP in the country. To improve the interaction between the parties of social partnership: “PhS – employer”, to eliminate social tension in the pharmaceutical institution and to resolve possible conflicts, an authorized person responsible for social issues (APSI) is required to be assigned at the labour collective (LC) of pharmaceutical institutions of all forms of ownership. Depending on the staff of the

pharmaceutical institution and the number of LC, it is possible to introduce a separate position of an APSI or to entrust with corresponding responsibilities a representative of LC, who is elected at the labour meeting. Then the relationship will be as follows: “labour collective – employer – authorized person responsible for social issues – civil organizations – executive branch” [6, 7, 9].

PhS’ labour is one of the most difficult and the most responsible occupations among modern ones in Ukraine. PhS during his/her professional activity is influenced by a wide range of factors of physical, chemical and mental nature, which may lead to functional strain of certain organs and body systems, as well as to nervous emotional tension in general, causing the development of “professional burnout”. In 2001 WHO identified the “burnout syndrome” as a physical, emotional or motivational exhaustion, which is characterized by impaired performance at work and other negative consequences. Prolonged working day of PhS can also cause it. Although PhS have rights to shortened working hours and additional paid leave according to the legislation, employers ignore these rights, especially it often happens at private pharmacies (sometimes a working day can exceed 12 hours). That is why occupational diseases, especially the “professional burnout” of PhSs occur more often [6].

Today the process of reconsidering new approaches to the provision of SPPhS is taking place not only at the national level but also at the industrial level. The provisions of such legal documents, as “National Security Concept”, “Information Security Doctrine” and others, confirm this fact.

The current system of SPPhS indicates the need to revise the legal documents on these issues and their harmonization with the actual labour conditions in the pharmaceutical industry for a range of priority areas.

Characteristics of the priorities, influencing on the improvement of SPPhS in Ukraine. Priorities of SPPhS improvement:

1. Reforming of the existing SPPhS system. Political, philosophical and economic plan.
Solution approaches:
 - to analyse carefully the most successful SP reform experience in all countries, especially the experience of financial problems solving;
 - to convergence SP models of European countries, to introduce common principles of SP organization in Ukraine, to combine basic underlying principles, relevant to the historical process, which took place in Ukraine;
 - SPPhS should become a social contract in political and philosophical sense and meet the demands of social justice, that will provide sustainability of social and economic conditions of SP existence;
 - SPPhS should meet the following principles economically: universality (SP covers all risks and applies to all categories of PhS), presence of the uniform treatment, equal social contributions;
 - to introduce the term “social protection of pharmacy specialists” at the level of the pharmaceutical industry, taking into account industry specifics and occupational specification;
 - to strengthen institutionally the pharmaceutical industry of Ukraine and to restore the social importance of the pharmaceutical industry.
2. Social policy of the pharmaceutical industry. Labour safety improvement. Catalogue of PhS’ main complaints. Solution approaches:
 - to develop and to implement a range of measures on SPPhS improvement to the activity of pharmaceutical institutions, taking into account the actual labour conditions;
 - to introduce the term professional burnout of pharmacy specialists to the List of Occupational Diseases;
 - to add the clause “Social and psychological assistance in professional burnout of pharmacy specialists (counselling, supporting, diagnosis, correction, psychological therapy, rehabilitation) to the List of social services, provided to individuals, who have difficult life circumstance and are not able to overcome them;

- to develop the mechanism of identifying PhS' needs for social services and the mechanism of their provision in the pharmaceutical industry.
3. Settling of conflicts between PhS, the employer and the executive branch. Solution approaches:
- to assign an authorized person, responsible for social issues at the LC of pharmaceutical institutions of all types of ownership;
 - to determine the qualification requirements for staff support and develop the position description of APSI;
 - to enhance the importance of civil and self-regulating organisations in the SPPhS system.

Conclusion. Conducted studies point out to a fact, that the priority areas for SPPhS improvement can be developed in the following ways: by reforming of the existing SPPhS system on the basis of political, philosophical and economic plan; by developing of the mechanism of identifying PhS' needs for social services and the mechanism of their provision in the pharmaceutical industry, which is oriented to the labour safety improvement and development of the catalogue of PhS' main complaints; by settling of conflicts between PhS, the employer and the executive branch.

References

1. Zhigley I. V. Models of welfare states and social protection: Insight into the past and future // News ZHDTU. - 2008. - № 4 (46). - P. 71 - 79.
2. Martin E. Social security in the UK and France // Free Thought - XXI. - 2005. - № 8. - P. 102.
3. The system of social protection in the member states EU. [Electron resource]. - Online: <http://textbooks.net.ua/content/view/4444/37//>.
4. Tolochko V.M., Zarichkova M.V. Terminological definition of social protection of specialists in pharmacy // Inform. Sheet. - Kharkov, 2013. – 3 p.

5. European Network for Health Technology Assessment [web site]. Copenhagen, National Board of health. – 2007. (accessed 7) April 2008. [Electron resource]. – Online: <http://www.eunethta.net>.
6. Tolochko V., Zarichkova M., Medvedyeva Y., Tolochko K. // International journal of pharmaceutical sciences review and research - Volume 18, Issue 1, January – February 2013. [Electron resource]. – Online: <http://www.globalresearchonline.net/pharmajournal/vol18iss1.aspx>.
7. Tolochko V., Medvedyeva Y., Zarichkova M., Tolochko K. // International Journal of Pharmaceutical Sciences Review and Research - Volume 13, Issue 2, March – April 2012. [Electron resource]. – Online: www.globalresearchonline.net/pharmajournal/vol13iss2.aspx.
8. Pieters D. // Europ. J. of social security. – Schoten, 2003. – Vol. 5. – №4. – P. 287 – 304.
9. Polton D., Paris V, Sandier S. // Health care systems in transition: France. - Copenhagen, WHO Regional Office for Europe on behalf of the European Observatory on Health Systems and Policies. - 2004. – P. 5.
10. Robert H. Lauer, Jeanette C. Lauer. Social problems and the quality of life [Text] – Boston (Mass.) etc.: Mc.Graw. – Hill, 2004. – 431 p.