

SECTION 8 MONEY, FINANCES AND CREDIT

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DEVELOPMENT OF VOLUNTARY HEALTH INSURANCE IN UKRAINE

Voluntary health insurance (VHI) is an additional medical insurance in the case of availability of mandatory health insurance in the country or as a separate type of insurance.

Voluntary health insurance can reduce state expenditures for health care, solve crisis in medical industry, however, voluntary health insurance market is developing slowly in Ukraine, since the majority of the population of Ukraine can not afford the services of VHI, as they belong to the class with the low income. Therefore, one of the recommendations for insurance companies should be to reduce the cost of VHI insurance policies and to expand services for middle class. Another problem is that currently insurance companies do not have either working mechanism for monitoring the quality of the services

provided to the insured person, or tools of influence over improvement of quality of services provided in health care institutions of state and communal property.

Development of voluntary health insurance is possible only if the insurance company offers quality and affordable product to potential customers and the insurer has full confidence in insurance companies and guarantee in receiving high-quality services from the state. The state should control insurance companies through requirements for their licensing; improving the legislation, changes in tax policies, improving the financial stability of insurance companies, insurance culture of the population. Furthermore, it is necessary to develop and adopt the law on health insurance, regulating all legal relations in health insurance.