OPPORTUNITIES AND CHALLENGES IN IMPLEMENTING REGIONAL PUBLIC SERVICE AGENCY POLICY IN REGIONAL HOSPITALS: SYSTEMATIC REVIEW

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ABSTRACT

The Policy of the Regional Public Service Agency (Badan Layanan Umum Daerah or BLUD) is a form of autonomy for Regional Public Hospitals (Rumah Sakit Umum Daerah or RSD) born from healthcare service reforms. Despite being implemented for over two decades, several challenges in persist policy implementation. This research aims to analyze the opportunities and challenges in implementing the BLUD policy in RSD within the context of public services. The research method employed is a systematic review using inclusion criteria. Searches were conducted using the keywords policy implementation, BLUD, and RSD, utilizing the Garuda database and Google Scholar. This systematic review analyzes articles published from 2007 to 2022. The study identifies challenges such as resource quality, organizational fragmentation, and suboptimal communication. On the other hand, there is evidence of positive acceptance or response from implementers towards the BLUD policy. Based on the analysis, it can be concluded that the BLUD policy provides opportunities for RSD to enhance performance through its flexibility. Human resource capacity and communication pose challenges in BLUD policy implementation within RSDs. Implement targeted training programs for both regional governments and hospitals should address the specific needs and challenges of BLUD implementation, such as potential knowledge gaps arising from differing educational backgrounds.

Keywords: Badan Layanan Umum Daerah, regional hospitals, policy implementation, hospital autonomy, hospital reformation.
Introduction

Global health reform refers to the significant changes made to healthcare systems in various countries to improve access, quality, efficiency, and equity in healthcare. One reform in the healthcare system is the granting of autonomy to hospitals, which gives them more authority over their operations, to improve their performance, service quality, and efficiency. In developing countries, the aim of implementing hospital autonomy is to deal with problems caused by bureaucratic structures in government-owned hospitals. However, this can only be achieved if the hospital autonomy reform is carried out comprehensively with careful consideration of its implementation and design.

Indonesia is one of the several countries that have had a hospital reform since 1993, known as swadana or self-financing. This reform was aimed at improving services, but it apparently had no impact on efficiency, as evidenced by the length of stay and bed occupancy rate. As a result, this concept was dropped. In 2007, the Regional Public Service Agency (Badan Layanan Umum Daerah or BLUD) was introduced as another form of autonomy in regional hospitals. BLUD is a system implemented by the technical implementation unit of the regional office/agency to provide services to the community. It has flexibility in financial management patterns through the implementation of sound business practices to improve services to the community without seeking profit in order to promote the general welfare and educate the life of the nation. This concept aims to increase the flexibility and autonomy of hospitals based on their performance in order to provide efficient and effective services to the community.

A policy is a means by which policymakers can address the problem at hand. The BLUD policy is considered to be a solution to improve the efficiency of public services, especially in regional hospitals. Though Indonesia's Regulation 61/2007 establishes BLUD to improve service delivery, enhance financial flexibility, and promote self-sufficiency, research suggests implementation hasn't fully achieved these objectives. Previous research has shown that the implementation of BLUD has successfully generated revenue, but unfortunately did not have a significant impact on financial ratios. In addition to financial performance, the implementation of BLUD is also known to have successfully increased the Bed Occupancy Rate (BOR), but this increase did not show any significant difference before and after BLUD. Similar to the BOR indicator, several studies show that there was no significant difference before and after BLUD implementation in the Average Length of Stay (AVLOS) indicator, Net Death Rate (NDR), and Gross Death Rate (GDR). The financial management system of the RSD is still very bureaucratic and has a high level of dependence on government subsidies even though it has BLUD status.

Policy implementation refers to the actions taken by individuals or groups, both public and private, to achieve the agreed objectives. There are two approaches to policy implementation. The
first is the top-down approach, in which policies are formulated by policymakers at the highest level, and the second is the bottom-up approach, in which policies are formulated by considering proposals from policy implementers at the lowest level.\textsuperscript{16}

The BLUD policy is an example of a top-down approach to policy implementation. If a policy is not implemented properly, it can be considered a failure even if it is well-designed. In general, the implementation of top-down policies involves four major variables, namely communication, resources, disposition, and bureaucratic structure.\textsuperscript{15} According to Edward, 1984, these four factors affect policy implementation at the same time and interact with each other, supporting and hindering policy implementation. Therefore, it is ideal to discuss all factors at once to reflect this complexity.\textsuperscript{17}

The BLUD policy has been in effect in Indonesia for more than a decade. However, no effort has been made to monitor and evaluate its implementation in regional general hospitals in Indonesia. As a public service, regional general hospitals must be able to adapt to the demands of the community. Several studies have evaluated and analyzed the implementation of the BLUD policy in certain specific healthcare facilities using qualitative and quantitative research methods.\textsuperscript{13,18–29} Therefore, a comprehensive evaluation that describe several government-owned regional hospitals in Indonesia is necessary to meet the expectations of the community. Review research was found using the literature review method for analyzing one specific healthcare facility which is public health center not government-owned hospitals,\textsuperscript{30} hence this systematic literature review is needed to analyze the opportunities and challenges faced by hospitals implementing the BLUD policy in achieving their goals with broader scope which is several area in Indonesia. This study can inform policymakers on how to refine BLUD policies for better effectiveness because several challenges were found in this study and also considering other variables to implement policy and derivative regulations.

**Methods**

The authors adapted a scheme for selecting studies in this systematic review.\textsuperscript{31,32} This study employed library research methods, using articles from Google Scholar and Garuda databases. This study focuses solely on Indonesian literature, mainly found in local journals, such as Garuda. Google Scholar is necessary for broader searches and comprehensive coverage. Articles found from databases are filtered to obtain articles published between 2007 and 2022, in accordance with the BLUD guidelines outlined in the Regulation of the Minister of Home Affairs Number 61 of 2007. The search for articles was conducted between August 23, 2023 and September 15, 2023. The PICO (Population, Intervention, Comparison, and Outcome) Framework is used to develop keywords in literature search strategies. Population was Government-owned regional hospitals implementing BLUD policies; the intervention was the new hospital management model for BLUD
hospitals; this study did not conduct comparation; outcome was opportunities and challenges in implementing BLUD policies. Based on that, this study used the keyword of "BLUD policy implementation" without search strings due to unsensitive databases to Boolean system. According to researchers, this keyword is the most appropriate because the BLUD terminology already indicates the policies implemented at regional health facilities. The keyword hospital is also not used because all research regarding hospitals will come out of the search results and the search cannot be specific to RSUD (Regional General Hospital) because there is RSKD (Regional Special Hospital).

The inclusion criteria for included articles are (1) the research articles that discuss BLUD policy implementation in regional general hospitals, (2) were published in peer-reviewed and open access journals between 2007 and 2022, (3) and are written in Indonesian or English. The exclusion criteria for the available articles are the research methods using review methods, such as literature reviews, scoping reviews, systematic reviews, and other similar methods.

This study followed the 2020 Preferred Reporting Items for Systematic Reviews and Meta-Analysis (PRISMA) guidelines for systematic reviews. Studies for this systematic review were selected using the comprehensive double review approach developed. This approach involves a double review process conducted by two separate reviewers who independently identify studies by searching databases, reviewing abstracts, and selecting studies based on the full text. This is done to prevent the unintentional exclusion of studies by reviewers.
The articles were selected by means of a data quality assessment using the 2018 version of the Mixed Methods Appraisal Tool (MMAT). MMAT is a tool for assessing the quality of empirical studies using qualitative approaches, randomized and non-randomized controlled trials, descriptive quantitative approaches, or mixed methods. MMAT assesses the quality of studies on the basis of the clarity of the research questions, the relevance of the research sample, and the appropriateness of the research approaches. Based on the quality assessment of studies using the MMAT tool, no articles were excluded. In other words, all 13 studies were included in the data synthesis and analysis.

During the review process, develop a data extraction form to capture relevant information from each study. Analyzing data of BLUD policy implementation is conducted using a matrix method with the assistance of Excel as the software. This matrix helped to grouping data by relevant variables are used in analyzing policy implementation using the Van Horn and Van Meter framework to identify patterns. Organized data is used to identify key themes, patterns, and

Figure 1 Article Search Results Selection Flow

Records identified through database searching (2007-2022):
1. Garuda (n=9)
2. Google Scholar (n=2,320)
Total papers (n=2,329)

Duplicate records removed (n=12)

Records screened (n=2,317)

Title abstract records excluded separately
1. Reviewer 1 (n=2,121)
2. Reviewer 2 (n=2,298)

2,283 TA records excluded after comparison between reviewers

30 Full-text records screened for eligibility

Full-text Records excluded separately
1. Reviewer 1 (n=14)
2. Reviewer 2 (n=20)

17 Full-text records excluded after comparison between reviewers with reasons
1. Articles are not published in accredited journal (n=8)
2. Articles do not discuss about BLUD implementation in RSUD (n=9)

13 Full-text articles assessed for eligibility
relationships between variables in analyzing how various aspects of BLUD policies influence various outcomes.

Results
The articles included in this study were categorized according to region, hospital class, and BLUD implementation year. Meanwhile, the research location in the included articles was categorized according to the Regulation of the Minister of Health Number 27 of 2014 on the Indonesian Case Based Groups (INA-CBGs) guidelines. According to INA-CBGs, Region I consists of Banten, the Capital Special Region of Jakarta, West Java, Central Java, the Special Region of Yogyakarta, and East Java (n = 4). Region II consists of West Sumatera, Riau, South Sumatera, Lampung, Bali, and West Nusa Tenggara (n = 3), while Region III consists of Aceh, North Sumatera, Jambi, Bengkulu, Riau Islands, West Kalimantan, North Sulawesi, Central Sulawesi, Southeast Sulawesi, Gorontalo, West Sulawesi, and South Sulawesi (n = 5). In addition, Region IV consists of South Kalimantan and Central Kalimatan (n = 0). Finally, Region V consists of Bangka Belitung, East Nusa Tenggara, East Kalimantan, North Kalimantan, Maluku, North Maluku, Papua, and West Papua (n = 1).

Furthermore, the articles were categorized according to hospital class. This categorization is based on the services provided by hospitals as regulated by the Regulation of the Minister of Health Number 3 of 2020. There are four hospital classes, namely class A (n = 0), class B (n = 9), class C (n = 3), class D (n = 0), and unclassified (n = 1). According to this categorization, the majority of research was conducted in class B regional hospitals.

In addition, the authors categorized the articles according to their implementation period. This categorization is based on the policy issued by the Ministry of Home Affairs. BLUD was first implemented as a follow-up to the Regulation of the Minister of Home Affairs Number 61 of 2007 and the more recent Regulation of the Minister of Home Affairs Number 79 of 2018. In both periods, the number of articles was equal, with 46.2% (n = 6) published between 2007 and 2018 and 53.8% (n = 7) published between 2019 and 2022.

Policy implementation is the process of putting policies into action, which occurs between policy formulation and policy impacts on the community. Prior to implementing a policy, it is crucial to clearly define its objectives. BLUD is implemented to improve the effectiveness and efficiency of healthcare services through the application of the concept of flexibility. Several articles included in this study reported that the implementation of BLUD has been carried out according to applicable policies, such as the Regulation of the Minister of Home Affairs Number 61 of 2007 and the Regulation of the Minister of Home Affairs Number 79 of 2018 although these have not been fully implemented. In contrast, several other articles stated that the objectives of the BLUD policy have not been achieved due to the inability of policy
administrators to communicate\textsuperscript{13} and comprehend the objectives,\textsuperscript{18} as well as legal constraints that are imposed on the implementation of BLUD.\textsuperscript{24}

The table 1 summarizes key points from 13 studies authored by various researchers. The description related to the author names, research objectives, study design, and main study results.

<table>
<thead>
<tr>
<th>Author</th>
<th>Research Objectives</th>
<th>Study Design</th>
<th>Study Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iskandar et al, 2014\textsuperscript{13}</td>
<td>To describe the implementation of Regional Public Service Agency (BLUD) policies at Tanjung Selor Regional Hospital.</td>
<td>Descriptive qualitative research</td>
<td>The minimum service standards (SPM) has not run optimally meets standards and criteria set. BLUD running quite well due to the availability of medical facilities and hospital equipment, adequate human resource quality, health care procedures and treatment costs are affordable.</td>
</tr>
<tr>
<td>Hasna, 2019\textsuperscript{18}</td>
<td>To improve and explain the phenomenon of policy implementation of Regional Public Service Agency in Regional Hospital of Undata.</td>
<td>Case study qualitative research</td>
<td>Communication effectiveness needs improvement in size and policy objectives. Resource aspect, including employee quantity, competency, and facilities, is satisfactory. Disposition, including support and attitude, shows improvement. Bureaucratic structure adheres to standard operational procedures but requires consistency reinforcement with stricter rules.</td>
</tr>
<tr>
<td>Lukas et al, 2020\textsuperscript{19}</td>
<td>To describe the evaluation of Public Service Agency Governance Patterns at Sumberglagah Mojokerto Leprosy Hospital.</td>
<td>Descriptive qualitative research</td>
<td>Implementer disposition has been implemented well. So the implementation of Public Service Agency Governance Pattern in Sumber Lepah Leprosy Hospital has been implemented optimally. Even though the hospital has implemented it as a Regional Public Service Agency, it still needs subsidies from the local and central government to meet budgetary needs.</td>
</tr>
<tr>
<td>Rondonuwu et al, 2013\textsuperscript{20}</td>
<td>To explore the transformation process and implementation of PPK-BLUD policy in RSJP.</td>
<td>Case study qualitative research</td>
<td>The phase of transformation process was not running as expected. The implementation of PPK-BLUD policy is not optimal because some flexibility as a hospital privilege with BLUD financial pattern have not been implemented yet. The finance manager was hesitant to implement the flexible financial management and still following the local government financial management mechanisms.</td>
</tr>
<tr>
<td>Haris, 2021\textsuperscript{21}</td>
<td>To describe the implementation of the BLUD policy at the Bangkinang Regional General Hospital on the implementation of services in inpatient service units</td>
<td>Descriptive qualitative research</td>
<td>The implementation of these policies in 2018 is generally in the not good enough category. The communication aspect has not been implemented optimally. The resource aspect is quite effective. Aspects of disposition, showing a fairly good response. Aspects of the Bureaucratic structure adheres to SOPs but needs stricter employee compliance.</td>
</tr>
<tr>
<td>Faizah et al, 2019\textsuperscript{22}</td>
<td>To determine the implementation of the policy, the form of financial management patterns in H.A. Sulthan Daeng Radja Hospital, Bulukumba regency after the BLUD application.</td>
<td>Case study qualitative research</td>
<td>The implementation of the policy is not optimal based on Permenkes No. 20 of 2014. Financial management doesn't align with government policies, lacks expertise-based organizational structure, and lacks support from satker. Procurement management is subpar, SPM achievement falls short, and BLUD performance evaluation remains low due to inadequate financial transparency and assessment tools.</td>
</tr>
<tr>
<td>Hardiyanti et al, 2013\textsuperscript{23}</td>
<td>To describe how the implementation, result and the constraints faced. This</td>
<td>Descriptive qualitative research</td>
<td>BLUD policy implementation results are quite good but there are still many things to be improved and upgraded.</td>
</tr>
</tbody>
</table>
Hadi et al., 2019

Research Objectives: to analyze and evaluate the implementation of the public service Board in the general hospital of dr, M Yunus Bengkulu (RSMY).

Study Design: Descriptive qualitative research

Study Results: RSMY is quite ready and able to do the BLUD. RSMY performance in general showed that there is a good trend. The status changes become BLUD has affect toward the condition and the performance of RSMY. The problems are faced such as the effectiveness, efficiency and flexibility.

Eljawati, 2021

Research Objectives: to determine the extent of the implementation that can be carried out by the Sumedang District Hospital in serving the Health Sector for the Sumedang District Community.

Study Design: Descriptive analysis qualitative research

Study Results: There is a positive and significant effect between the implementation of policies regarding regional public service agencies on the effectiveness of services in outpatient installations at Sekarwangi Hospital, Sukabumi Regency. The implementation of public service agency policies at dr Rasidin Hospital standards and policies have been run well, sufficient and adequate resources in terms of personnel, funds, facilities. Implementation of Public Service Agency Policy has been increased service performance, but on the quality of service is still not good.

Purbasari, 2022

Research Objectives: To describe the effect of BLUD policy implementation on the effectiveness of services in outpatient installations.

Study Design: Descriptive and quantitative/correlation data analysis techniques.

Study Results: There is a positive and significant effect between the implementation of policies regarding regional public service agencies on the effectiveness of services in outpatient installations at Sekarwangi Hospital, Sukabumi Regency. The implementation of public service agency policies at dr Rasidin Hospital standards and policies have been run well, sufficient and adequate resources in terms of personnel, funds, facilities. Implementation of Public Service Agency Policy has been increased service performance, but on the quality of service is still not good.

Roza et al, 2017

Research Objectives: To analyze of regional public service agency policy implementation for service and quality performance hospital.

Study Design: Descriptive research with quantitative and qualitative approaches.

Study Results: There is a positive and significant effect between the implementation of policies regarding regional public service agencies on the effectiveness of services in outpatient installations at Sekarwangi Hospital, Sukabumi Regency. The implementation of public service agency policies at dr Rasidin Hospital standards and policies have been run well, sufficient and adequate resources in terms of personnel, funds, facilities. Implementation of Public Service Agency Policy has been increased service performance, but on the quality of service is still not good.

Silalahi et al, 2022

Research Objectives: To determine and analyze how the implementation of PPK-BLUD policies in RSUD Dr. RM Djoelham Binjai in terms of improving the quality and quality of public services, especially health services to the people of Binjai City.

Study Design: Descriptive qualitative research

Study Results: There is a positive and significant effect between the implementation of policies regarding regional public service agencies on the effectiveness of services in outpatient installations at Sekarwangi Hospital, Sukabumi Regency. The implementation of public service agency policies at dr Rasidin Hospital standards and policies have been run well, sufficient and adequate resources in terms of personnel, funds, facilities. Implementation of Public Service Agency Policy has been increased service performance, but on the quality of service is still not good.

Surianto, 2013

Research Objectives: To describe how the implementation of PPK-BLUD policies in RSUD Dr. RM Djoelham Binjai

Study Design: Case study qualitative research

Study Results: There is a positive and significant effect between the implementation of policies regarding regional public service agencies on the effectiveness of services in outpatient installations at Sekarwangi Hospital, Sukabumi Regency. The implementation of public service agency policies at dr Rasidin Hospital standards and policies have been run well, sufficient and adequate resources in terms of personnel, funds, facilities. Implementation of Public Service Agency Policy has been increased service performance, but on the quality of service is still not good.

Articles included in this study were further analyzed using policy implementation theory of Edward, 1984 with a top-down approach. Resources, bureaucratic structure, communication, and disposition are the factors that have an impact on policy implementation and interact with each other, supporting or hindering policy implementation. These factors are categorized as follows in table 2.

Table 2. Included Articles Based on Research Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Definition</th>
<th>Opportunities</th>
<th>Challenges</th>
</tr>
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<tbody>
<tr>
<td>Facility Resources</td>
<td>Facilities and infrastructure that can support policy implementation</td>
<td>Adequate facilities and infrastructure</td>
<td>Inadequate facilities and infrastructure due to limited budget of the hospital</td>
</tr>
<tr>
<td></td>
<td>Facilities and infrastructure</td>
<td>Adequate medical equipment</td>
<td>Inadequate maintenance of facilities and infrastructure</td>
</tr>
<tr>
<td>Financial Resources</td>
<td>Funding or incentives that</td>
<td>Available information system</td>
<td>Facilities and infrastructure not meeting the standards of hospital class</td>
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<td></td>
<td></td>
<td></td>
<td>System is not yet integrated; issues with the accounting system</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Bureaucratic financial management system that hinders the procurement of goods</td>
</tr>
<tr>
<td>Variable</td>
<td>Definition</td>
<td>Opportunities</td>
<td>Challenges</td>
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</table>
| Human Resources   | Anything related to the availability of human resources and their competence or capability to carry out policy implementation efficiently | Staff already meeting the standards hospital class 17 18,21,23,29  
Staff have received training to improve their knowledge, decision-making skills, and entrepreneurial mindset, as well as changing their bureaucratic thinking 17,20,27  
Human resources who comprehend the BLUD policy can effectively communicate the objectives 20  
Hospital internal regulations in place 28  
The regional hospital has a supervisory board 13  
Available SOP in accordance with the policy and contained in the BLUD governance document 13,18,21,22 | Locally regulated rates not based on unit cost and not regularly updated 28  
Insufficient revenue to meet the operational needs of the hospital and reduced subsidies from the local government 19,20  
Staff not yet meeting the standards of hospital class 13,18,20,25  
Lack of knowledge of employees about BLUD 15,20,26  
Lack of competence 18,21  
Lack of friendliness 24  
Lack of discipline 21,25  
Unmatching educational background with job title 26  
Lack of knowledge in human resources causes policy implementers to not have a clear understanding of their roles, functions, and authority in the implementation of the BLUD policy 13  
Hospital internal regulations are lack of a supervisory board 13  
SOP is not followed strictly due to lack of dissemination 13  
Employees not following SOP 20  
Inaccurate financial data due to lack of SOP for financial management based on information technology 26  
Time-consuming and complex administrative workflow 24  
Double job 19  
Lack of understanding of duties, functions, and authority 13  
Misunderstanding: Those regional hospitals implementing the BLUD policy must be independent or that they still require subsidies to meet the minimum service standards 13,20  
Misunderstanding: Those regional hospitals implementing the BLUD policy can cover capital expenditures and employee costs 13  
Local government’s concern about losing control of regional hospitals due to flexibility that reduces their contribution to the local government 13  
The inspectorate requested the decree of the governor for the disbursement of funding for hospital employee services, but the legal bureau believed that the decree of the hospital director was sufficient 13  
Lack of dissemination due to poor knowledge of employees 21  
Dissemination limited to certain positions 26  
Dissemination of information not by experts 24  
Dissemination should be conducted using clear and concise language to ensure that the information is easily understood and does not lead to any complaints and using the hospital |
### Variable | Definition | Opportunities | Challenges
--- | --- | --- | ---
Disposition | Responses in the face of complexity and problematic situations Types of responses: acceptance, neutral, or rejection | Acceptance: The involvement of policy implementers in policy follow-up related to main roles and responsibilities, budget allocation to improve infrastructure and increasing the distribution of services | Change in leadership as a barrier to deliver information

#### Discussion

Hospital autonomy in government hospitals is one component of the health system reform with the hope that hospitals can manage their income and reduce the burden on the government budget. Autonomy in developing countries is motivated by the desire to improve the quality of services, increase accountability, and improve efficiency, but in reality, the implementation of government hospital autonomy is difficult to achieve. The implementation of hospital autonomy is challenging due to unintended consequences and misaligned incentives. Reforms in government hospitals have led hospitals to focus on revenue generation, resulting in lower quality of service, neglect of social functions, and supply-induced demand. Additional challenges are found in the formulation and implementation of policies, including weak control, lack of planning for autonomy implementation, and flawed policy design. A review of the selected literature reveals potential benefits associated with implementing BLUD policy. However, these benefits may not be fully realized due to the identified challenges associated with their implementation.

According to the Great Dictionary defined as anything that is used to satisfy certain needs, whether it has a physical form or not. The authors categorized resources into three types, namely human resources, facility resources, and financial resources. These resources can affect the implementation of a policy; inadequate resources can hinder the effective and efficient implementation of the policy. This systematic review found that the implementation of the BLUD policy is still confronted with a lack of facility resources. It was found that inadequate facilities and infrastructure or inappropriate use of these facilities and infrastructure may be an obstacle to the policy operationalization. For example, in the implementation of Health Insurance in Pangkajene Regency, the facilities and infrastructure of the healthcare facilities were not adequate for the treatment of certain diseases, preventing the achievement of addressing community health problems. This proves that facilities and infrastructure are a critical variable in...
policy implementation. In addition, the implementation of the BLUD policy is hindered by its weak management system. This is consistent with the study of Ravaghi, 2018 which concluded that weak management is an obstacle to the success of autonomy. Insufficient funding is also an obstacle to the implementation of the BLUD policy. This is in line with the theory of Edward, 1984 which suggested that the availability of funds positively influences the success of policy implementation. For example, the successful implementation of the regional health insurance in Bekasi City can be attributed to the strong commitment and satisfactory performance of the government officials of Bekasi City as well as funding by the local government.

Human resources also determine the success of policy implementation. This systematic review found several limitations in both the quantity and quality of human resources. In general, the main problem of human resources is related to their quality or ability to understand the implementation of the BLUD policy. This is supported by the study of Wahyuni, 2022 which emphasized the importance of human resource experts who fulfill their roles in developing human resource competency in West Nusa Tenggara. Human resource problems also occurred in the implementation of other health sector policies, such as those related to malaria, with varying standards of human resource competency, standards of competency not aligning with the job title and responsibilities, and low commitment from human resources in implementing the policy of minimum service standards in Gunungkidul Regency.

Human resources play a crucial role in policy implementation. They are responsible for implementing policies. In the implementation of the BLUD policy, human resources as implementers play a significant role that has an impact on communication and bureaucratic structure. However, the implementation of the hospital reformation faces challenges, including limited authority in decision-making related to human resources, finance, and procurement. A study on the implementation of tuberculosis prevention policy in Tegal City found that the skills of implementers greatly influence the delivery of information that are accepted by all policy implementers. The relationship between human resources and bureaucratic staff was also found in the implementation of traditional health policy, which requires the placement of human resources to support the commitment and responsibility of implementers.

Obstacles related to bureaucratic structures are categorized as obstacles in terms of fragmentation. This includes two important factors, namely the mechanism of policy implementation, which is based on the Standard Operating Procedures (SOP), and the organizational structure of the policy implementing agency. To ensure the consistency of objectives in policy implementation, it is important to integrate hierarchies in and rules of the implementing agency. The clarity of duties, authority, internal regulations, SOP, and roles of the supervisory board are obstacles in the implementation of the BLUD policy in terms of bureaucratic structure. The lack of clarity in roles and responsibilities between hospitals, the Ministry of Health,
and local governments, coupled with the absence of a separation between ownership and governance, poses significant challenges. This obstacle is also encountered in the implementation of maternal, infant, newborn, and child health policies, which leads to excessive workload and limited time for carrying out duties. Therefore, the hospital's duties and authority in the implementation of the BLUD policy should be clearly stated in internal regulations (hospital bylaws). In addition, the existence of a supervisory board is critical as they guide the governance process and ensure responsibility and accountability for the overall performance of the organization. The supervisory board also serves as a facilitator of the government policy and a counterbalance to executive power, administrative authority, and stakeholder interest.

Policy implementers are responsible for executing planned activities in accordance with the standards outlined in the SOP. The absence of regulations and guidelines for implementing autonomy as well as a lack of support in terms of law, culture and information are major obstacles to carrying out reform. Inappropriate functions affect communication and bureaucracy between regional general hospitals and local government. This finding is consistent with the study of Nalien, 2021 which suggested that confusion and procedural gaps in policies can hinder policy implementation. This obstacle was encountered by the policy implementers of health insurance policy in North Halmahera Regency due to their lack of understanding of the standard operational procedures for providing services to the community.

Overlapping bureaucratic structures, vacant roles, and difficult SOP are barriers in terms of fragmentation. According to theory of Edward, 1984, organizational fragmentation can increase the potential for failure in implementing the BLUD policy. To maintain the vitality of an organization in policy implementation, it is important to minimize obstacles such as bureaucratic structure, which refers to the pattern of relationships between policymakers and implementing agencies. Studies have shown a correlation between bureaucratic structure, workflow, and SOP with communication. This is in line with the study of Susanto, 2017 which suggested that integrative communication is necessary for effective organizational management and to achieve consensus in implementing public policy.

In policy implementation, communication is the process of elaborating policies to the organizations involved or the public, and assessing the ability of policy implementers to achieve policy objectives. The communication variable is characterized by differences in the understanding of BLUD among supporting elements of regional government, regional hospitals, regional government, and internal stakeholders of regional hospitals. This finding is consistent with studies that found that the difficulty of achieving decentralization of decisions at the operational level is due to the efforts of policymakers at the highest level to maintain their power. Two main obstacles are the delegation of human resource and financial authority. The two main obstacles are the delegation of authority for human resources and finance. The lack of
clarity in roles and responsibilities between hospitals and the regional government, as well as the absence of distinction between ownership and governance, make it difficult to achieve autonomy.\textsuperscript{47}

The lack of dissemination is evident not only in the implementation of the BLUD policy, but also in the implementation of healthy living movement policy in Tomohon City. The government has not evenly disseminated information about the program to the community, resulting in some individuals not experiencing its benefits.\textsuperscript{53} The lack of dissemination for new policy implementers can lead to low competency and skills of human resources, as changes in human resources are inevitable. Therefore, hospitals should make efforts to empower policy implementers, such as by providing a training series on the benefit of BLUD. The Village Government of Huntulohulawa has successfully carried out this type of empowerment by revitalizing village profile data with optimized web-based management support. After receiving a series of training and mentoring, village partners can now continue to manage the village website that is based on geographical information system and globally accessible.\textsuperscript{54}

Several articles included in this study suggested a correlation between communication and disposition. This supports the theory of Edward, 1984 that the clarity of policy measures and objectives conveyed to the policy implementing agency can affect the disposition of the agency.\textsuperscript{17} The study of Mustanir, 2016 also suggested that communication factors, particularly dissemination, can influence implementing agencies in policy implementation.\textsuperscript{55}

Disposition refers to the availability and commitment of actors or implementers to execute the BLUD policy. According to Edward, 1984, differences in perspectives with policymakers can hinder the implementation process, leading to inefficiencies and ineffectiveness.\textsuperscript{17} However, the implementation of the BLUD policy received many positive responses. This is in line with the study of Budiono, 2015 which suggested that policy actors are more likely to participate when the policy implementation receives positive responses.\textsuperscript{56}

Regional hospitals widely acknowledge the benefits of BLUD in providing management flexibility to increase the effectiveness and efficiency of their services.\textsuperscript{13,18,20,21,26–28} However, the full potential of these benefits has not been optimized due to the lack of knowledge and skills of implementing agencies in implementing the BLUD policy.\textsuperscript{13,18,20,22,26} This is due to the fact that regional government compliance in implementing the policy of the central government is influenced by their awareness and understanding of the applicable regulations.\textsuperscript{57} Grindle, 1980 suggested that the success of implementation depends on public acceptance of the policy, which will ensure that implementing activities will have an impact on the society, individuals, and groups.\textsuperscript{39} For example, the implementation of the provision of exclusive breast milk policy in Grobongan Regency has not been able to achieve national targets and is not running well due to the lack of knowledge and awareness of health workers regarding the benefits of exclusive breastfeeding.\textsuperscript{58}
The strengths of this study include its comprehensive and impartial analysis of existing research, which potentially yields strong evidence for policy recommendations on BLUD implementation. Additionally, the systematic review encompasses regional hospitals from various locations, classes, and implementation periods. However, weaknesses include limited studies on BLUD policy in government-owned regional hospitals and reliance on published research, possibly overlooking critical implementation details. Moreover, database limitations hinder precise searches.

Conclusion

The included articles found no significant differences in policy implementation based on hospital class, region, or implementation year. This study concluded that the BLUD policy offers an opportunity for regional hospitals to improve their performance through its flexibility. Human resources play the most significant role in the implementation of the BLUD policy. The lack of competency and skills in human resources leads to organizational fragmentation, communication barriers, and inappropriate use of the flexibility of BLUD. Implement targeted training programs for both regional governments and hospitals should address the specific needs and challenges of BLUD implementation. The Ministry of Home Affairs should evaluate the BLUD policy that was published in 2007 and updated in 2018. Even though the regulation was updated, the problems found in this study are still the same. A series of regular and gradual training for both policymakers and implementers are necessary to increase competency in the management of BLUD. Further research is required to demonstrate the effectiveness of the BLUD policy in improving the performance of regional hospitals.

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Conflict of Interest

This study has no conflict of interest, as it is a systematic review aimed at objectively analyzing existing literature on the subject. The review process is conducted with transparency and impartiality, ensuring that the conclusions drawn are based solely on the evidence presented in the
literature, without any influence from personal or financial interests that could create conflicts of interest.

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