

CHAPTER I INTRODUCTION

A. Research Background

Indonesia is an ordinary country like any of the country in the world. Every country must have their goals just like Indonesia. In Indonesia, its goal is found exactly in the fourth paragraph of the Preamble of Constitution of the Republic of Indonesia 1945 which states "Pursuant to which, in order to form a Government of the State of Indonesia that shall protect the whole people of Indonesia and the entire homeland of Indonesia, and in order to advance general prosperity, to develop the nation's intellectual life, and to contribute to the implementation of a world order based on freedom, lasting peace and social justice ..." ¹ One of the goal stated in the constitution was to advance general prosperity to the people in the entire homeland, this meant that each and every single of us shall have the same rights and obligations in pursuing a prosperous living which is actually parallel with our country's ideology, *Pancasila*.²

Aside from the ideal thought of the country, Indonesia also understand that the rights of people whereas each people has a right to a life of well-being in body and mind, to a place to dwell, to enjoy a good and healthy environment, and to receive medical care that was stated on the second amendment of the constitution. As in "*Setiap orang berhak hidup sejahtera lahir dan batin, bertempat tinggal, dan mendapatkan lingkungan hidup yang baik dan sehat serta berhak memperoleh*

¹Derives from the original Preamble of *Undang-undang Dasar Negara Republik Indonesia 1945* stated "Kemudian daripada itu untuk membentuk suatu Pemerintah Negara Indonesia yang melindungi segenap bangsa Indonesia dan seluruh tumpah darah Indonesia dan untuk memajukan kesejahteraan umum, mencerdaskan kehidupan bangsa, dan ikut melaksanakan ketertiban dunia yang berdasarkan kemerdekaan, perdamaian abadi dan keadilan sosial

Asian Human Rights Commission, "Translation of the Constitution of the Republic of Indonesia 1945," accessed on March 11, 2019, <http://www.unesco.org/education/edurights/media/docs/>

² Article 1 of the *Ketetapan Majelis Permusyawaratan Rakyat (TAP MPR) Number XVIII/MPR/1998* stated that *Pancasila* in Preamble of the *Undang-undang Dasar Negara Republik Indonesia 1945* refers to the national principle of the Republic of Indonesia which must be implemented consistently.

Indonesia, *Ketetapan Majelis Permusyawaratan Rakyat, Number XVIII/MPR/1998* changed from *Number II/MPR/1978* regarding the affirmation of *Pancasila* as the basis of the state, Article 1.

pelayanan kesehatan." Through Article 28H of the Constitution of Indonesia, it is sure that Indonesia is totally about their protection towards the people regarding human rights. Going on, the country understands well that it is the government obligation to guide the people reaching toward its goal and this was stated under the Article 34 paragraph (2) and (3) in the fourth amendment Constitution of Republic of Indonesia 1945 that stated "the state develops a social security system for everybody and empowers the weak and underprivileged in society in accordance with their dignity as human beings"³ in paragraph (2) and "the state has the responsibility to provide proper medical and public service facilities"⁴ in paragraph (3). Which original states "*negara mengembangkan sistem jaminan sosial bagi seluruh rakyat dan memberdayakan masyarakat yang lemah dan tidak mampu sesuai dengan martabat kemanusiaan*" and "*negara bertanggung jawab atas penyediaan fasilitas pelayanan umum yang layak.*" Regarding both articles, we know that the obligation of government towards the people is to ensure each and every individual of the country is guaranteed for their health and life necessities especially towards the poor.

Besides, as a member of the International Labour Organization, Indonesia has also ratified one of the conventions regarding the Equality of Treatment 1925 into the State Gazette Number 53 of 1929.⁵ Whereby the convention states clearly that each member of the organization that ratifies this convention shall give the same treatment to whomever worker is working on its country, local either foreign. It is to protect every worker even he or she is not working in their land. The convention also states that the treatment shall be given in accordance to workers that suffer injury due to industrial accidents within its territory. It is also

³ Asian Human Rights Commission , "Article 34 verse (2) of The Constitution of the Republic of Indonesia 1945", accessed on March 12, 2019, <http://www.unesco.org/education/edurights/media/docs/>

⁴ Asian Human Rights Commission, "Article 34 verse (3) of The Constitution of the Republic of Indonesia 1945", accessed on March 12,2019, <http://www.unesco.org/education/edurights/media/docs/>

⁵ Sertifikat Buruh Migran Indonesia, "Konvensi ILO yang telah diratifikasi oleh Pemerintah Indonesia", accessed on October 10, 2019, <http://sbmi.or.id/2018/05/konvensi-ilo-yang-telah-diratifikasi-oleh-pemerintah-indonesia/>

recommended to country to possess a system in implementing but also gives toleration by insurance before the system works which was done by Indonesia.

Though it is stated clearly that Indonesia positively agrees the equal treatment towards people, still it has to implement this thought into action to bring out the effects to the people. As this implementation was done by Indonesia through the President's Decision Number 230 Year 1968 regarding health care for civil employees that established a Health Care Fund Management Agency (*Badan Penyelenggara Dana Pemeliharaan Kesehatan*). As it was just not long ago from the independent of the country, during 1968 the regulation has just worked for the state officials and their families.

As time goes on, the agency that is under the Ministry of Health changed its status to a state-owned enterprise while its function remain the same. The Minister of Health during that time was Prof. G.A. Siwabessy, he had a different thought. He predicted that Indonesia should have a better health care security system that is offered to each and every people in the nation. As year passes by, the government has realized the idea of Prof. G.A. Siwabessy, then the government entrusted the mission to the agency which has changed its name into PT Askes to carry out the program namely *Asuransi Kesehatan Keluarga Miskin (Askeskin)* which is made for the poor and needed. The record of this program hit a total of 60 million people. Aside from that, PT Askes brought out another program for those who weren't employee and did not have any health insurance. A total of 200 cities with 6.4 million people attended to this program.⁶ It was a success and proofed that the thought of Prof. G.A. Siwabessy was right.

Since then, the government of Indonesia takes more serious regarding the social security system of the people by establishing the Republic of Indonesia Law Number 40 Year 2004 regarding the national

⁶ Badan Penyelenggara Jaminan Sosial, "Sejarah Perjalanan Jaminan Sosial di Indonesia," accessed on March 12, 2019, <https://bpjs-kesehatan.go.id/bpjs/index.php/pages/detail/2013/4>

social security system but was then improved and focused more on health care with the amendment into the Republic of Indonesia Law Number 24 Year 2011 concerning about Social Security Organizing Agency. Through the Social Security Organizing Agency, the country is present in our midst to ensure that the entire population of Indonesia is protected by comprehensive, fair and equitable health insurance.

Where there is right there must be obligation too. Such a pity that the people of Indonesia were too lack of education and socialization about their obligation in this program. As a result, the country was in huge debt to its own people as in the medical industry such as the hospitals, pharmacies, doctors and nurses. This happened because of the low payment from the participants of the program according to the Head of the Ministry of Finance's Communication and Information Services Bureau, Nufransa Wira Sakti.⁷ With the record of 10.98 trillion Rupiah lack of capital in 2018 from the Social Security Organizing Agency,⁸ this has become a serious problem nationally and our president has responded towards this matter. Based on the president, the problem of lacking capital has to be solve within the ministry, it should be the system that must be improved.⁹

From the facts above stated, it is clear that although Indonesia has already a Social Security Organizing Agency but it still needs a lot of improvement to its system as so problems would fade away. In this case, we could see some of our neighboring countries as an example whereas almost all countries in the world have been taking the Social Security System seriously.

Besides the national law that Indonesia has been depend for its social security system, Indonesia has also been taking the International

⁷ Herdi Alif Al Hikam, "Kemenkeu Respons PKS Soal Tunggakan Pembayaran BPJS Kesehatan," accessed on March 14, 2019, <https://finance.detik.com/moneter/d-4372131/kemenkeu-respons-pks-soal-tunggakan-pembayaran-bpjs-kesehatan>

⁸ Hendra Kusuma, "Defisit Rp 10 T Lebih di 2018, BPJS Kesehatan Bakal Diaudit BPKP," accessed on March 14, 2019, <https://finance.detik.com/moneter/d-4339410/defisit-rp-10-t-lebih-di-2018-bpjs-kesehatan-bakal-diaudit-bpkp>

⁹ Ihsanuddin, "Ditegur Presiden Jokowi, Ini Tanggapan BPS Kesehatan," accessed March 14, 2019, <https://nasional.kompas.com/read/2018/10/18/10175301/ditegur-presiden-jokowi-ini-tanggapan-bpjs-kesehatan?page=all>

Social Security Association (ISSA) as its benchmark. It is an obligation whereas being a member of the International Social Security Association (ISSA) to follow the regulations and so to achieve the goals in the association.

As a member of the International Social Security Association (ISSA), Philippines has also implement into its national law under its National Health Insurance Act of 2013 whereas was revised from their Republic Act 7875 as amended from Republic Act 9241 and 10606. It was first established as the Philippine Medical Care Commission (PMCC) in 1972 and converted to the National Health Insurance Program (NHIP) in 1995.

Similar to Indonesia, the Philippines started off providing health insurance to their government workers before to the private sector workers or known as employees. Moving on, it started providing to the self-employed and the informal sector in 1999 and continues providing even to the Overseas Workers Welfare Administration (OWWA) for Overseas Filipino Workers in 2005. Later on, the government cooperates with its Local Government Units (LGUs) and promotes the social security program namely the Indigent Program¹⁰ to the people especially to families who have no access to health services. It was recorded in 2014 with a total of 14.7 million families are covered by full National Government subsidy through *PhilHealth*.¹¹

Currently, the national social security system of the Philippines has much improve in the way of health services, finance and regulations which were from the experience from previous inflationary and ineffective fee. *PhilHealth* endeavors to cover the financing of every Filipino's health needs, from preventive primary to hospital care including catastrophic conditions.

¹⁰ Indigent Program means a series of instructions which is able to perform an operation for the poor. Cambridge, Cambridge Advanced Learner's Dictionary Third Edition (Singapore: Green Giant Press), pg. 734

¹¹ The national health social security system of Republic of the Philippines known as Philippine Health Insurance Corporation, Wikipedia, "Philippine Health Insurance Corporation," accessed on March 14, 2019, https://en.wikipedia.org/wiki/Philippine_Health_Insurance_Corporation

It seems that both Indonesia and Philippines has a bond in either culture or systems applied in the nation. So, based on above illustrations on both states about national social security system, writer is interested to analyze more and hence would lift the title "COMPARATIVE STUDY OF THE SOCIAL SECURITY SYSTEM IN INDONESIA AND PHILIPPINES BASED ON THE GUIDELINES OF GOOD GOVERNANCE OF INTERNATIONAL SOCIAL SECURITY ASSOCIATION".

B. Research Questions

Based on the background affirmed, arises the questions as below:

1. How is the national social security system in Indonesia and Philippines?
2. How is the comparison in Indonesia and Philippines concerning national social security system?
3. Which national social security system is better than the other?

C. Research Objectives and Benefits

1. Research Objectives

- a. To explain the national social security system in Indonesia and Philippines.
- b. To know the comparison regarding national social security system in Indonesia and Philippines.
- c. To find out the better national social security system.

2. Research Benefits

a. Theory Enhancement

Through the research and implementation of theory, the writer would be able to prove once again that the theory was true and applicable. This is a benefit to writers in the future to emphasize the same theory within the relatable field of research.

b. Knowledge Enhancement

This research benefits readers in ways of becoming a benchmark. Aside from that, increasing library resources and becoming any kind of knowledge resources would be great.

c. Legislative Institution

The research also gives recommendation to the country's Institution of legislative to make any kind of amendments to the nation's law based on the facts that have proved current law wrongly. It is highly suggested to related institution for seeking the people's feedback towards any kind of amendments made before legalizing it.

d. Executive Institution

Aside from the country's Institution of Legislative whom will be amending the nation's law, the Institution of Executive is as important too. They are authorized to make implementing regulations based on the national law which are the rules followed by people on how to obey the law.

e. The citizen especially for people who are in the Human Resources Field

This research expects to give benefits to the people to understand more on social security system. Hence, people related to this field should be able to deeply understand their position and do as it is.