



PUBLIC AND PRIVATE SECTOR SERVICES (CASE STUDY OF DENTAL SERVICES)

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Abstract: The need for the creation of a high quality service is a necessary condition for successful social development. For this reason, the lack of investment in public sector negatively affects the overall economic development and as a result in a poor quality service. Demand for infrastructure is increased for this purpose, public sector recognizes the importance of the private sector to provide financial resources, innovation, technical expertise and a quality service. The health system in Albania is mainly public. The private sector is in the early stages of development and mainly includes dental service. Medical service especially dental offered by the public sector has a large margin of dental service that offered by the private sector in Albania. In Albania there are barriers to entry and exit in the market, which encourages innovation and providing an efficient service to their citizens. The aim of this study is to recognize us with competition between public and private sector services in quality and cost.

Keywords: public sector, private sector, dental services, investment.

1. Public Service

The global economy is experiencing rapid changes, transformations versatile, above all it is showing fast qualitative transformations multidimensional which have their base in the rapid development of technology and knowledge. Once 90s Albanian society embarked on a path of major changes. The economy has changed from a centrally planned economy and planned to free market economy. Systems change and lack of knowledge of capitalist liberal democracy, brought a stream of uncertainty that will manifest itself in the coming years. (Elez E. 2001). Albanians found it difficult to get used to a free market economy. No Eastern European country not entered the path of reform in a state of economic collapse, as happened with Albania. In order to expand the economic base and democratic country, Albania implemented a bold program of mass privatization, strengthened the middle class, attracted foreign capital to support the development of key industries. The rapid opening of markets, the shift to economy-oriented services, displacement of population towards urban centers, reduction of specific weight of agriculture in the national economy, the difficulties of the manufacturing sector as well, and concern for issues of unemployment have already returned to a scene continuing discussions on how government, utilities and business policy specialists must respond to address and cope with increasingly intense competition in this globalizing process.

A noticeable development took apart privatization and reform of public administration (Elez E. 2001). The purpose of the Public Administration reform was the creation of a professional, based on merit, unbiased, rational, able to face the challenges of integration and comprehensive improvement of quality of service delivery to the public. Reform has started in the 90s and government commitment is further strengthened by investments in recent years in the public administration by including investments in the field of medicine, to provide a quality service and affordable cost to the citizens. According to McGregor, Eugene B. , Jr, Campbell, CA, Macy, John W. , Jr, & Cleveland, H. (1982) public service is a service offered by the government for the people living within its jurisdiction, in directly (through the public sector) or by financing the provision of services.

According to the OECD (1994) measure the performance of public services by the following elements:

1. **Efficiency** The relationship between resources used and maximization of services

2. **Effectiveness** - that is the extent to which service has achieved. Unless services reach their targets then it can be termed as a waste of resources.

3. **Compatibility** - means that institutions must comply with standards and budget.

4. **Quality** service has related with effectiveness also relates to the availability, frequency, reliability and continuity of services. So refers more to the quality of service delivery than the result which brings the provision of services.

1.1 Public dental service

Health care is a public good and a basic factor development (Anderfuhren-bige, S, Varone, F., & Giaque, D. 2014). Dental health service dental health care is provided by public and private dental health care. According to the Ministry of Health public dental service consists of oral health service for 0-18 years old from city or village. oral health services includes prophylaxis, diagnosis and treatment for the pathology or abnormality of tissue of strong and soft oral¹.

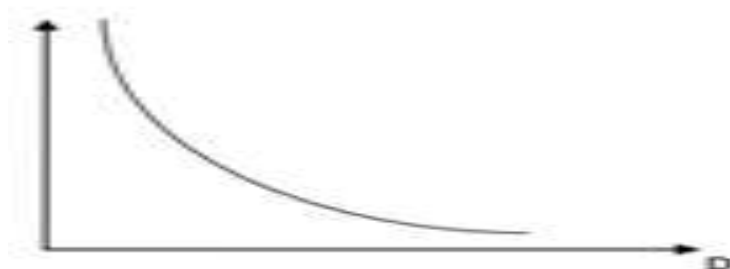
Institutions of public dental health service provided free dental service for prophylactic and curative²: a) patients from 0 to 18 years old; b) hospitalized patients and those treated in public hospital institutions for emergency medical care; c) specific categories of individuals who, with the laws and bylaws special benefit dental health service free.

State undertakes to cover part of the emergency dental service for people over 18 years, dental services in the department of dentistry at the faculty of Medicine and dentistry dental services in public institutions. Dentist emergency service in public health institutions provide inpatient and outpatient dental public health institutions.

2. Private Services

During its transition, Albania has established a framework of laws to enable the operation of the private sector in a country that is continuously developing toward an open and competitive economy. Recent years have been a period of sustained economic and technological boom which included making the private sector capable of providing very good services and which previously only provided by the state. An efficient private market means that the state has no reason to interfere. The graph below (T. Vito., 2005) shows the inverse relationship that exists between the level of public spending (R) with the degree of development and perfection of private markets (D) which is a function of time and income. So with the increasing perfection of private markets, reduced state intervention and vice versa.

Figure 1: Excellence of the private sector and public spending



According to M. Shamsul Haque (2001) level of distinction in the public sector from the private sector is the identification of impartiality, openness, equality and representation as features of public.

¹ <http://www.drshfier.gov.al/sq/sherbimi-stomatologjik>

² http://www.shendetesia.gov.al/files/userfiles/Baza_Ligjore/Ligje/10.pdf

- **The scope and structure of the recipient of the service:** the public sector is the largest number and broad scope of the service recipient.
- **The size and intensity of the role of socio-economic:** impact of public sector in the service of society
- **The degree of public accountability:** it goes beyond the existence of institutions
- **The level of public confidence:** is the faith of people in the that offered by state

Private health care is intended "profit". There are many authors who argue that private health system is more efficient than the public health system (Kumaranayake L. 1997). In general, this debate has been divided between those who require the availability of the state in health and those that think that the private sector provides care in areas where the public sector has failed typically (Kumaranayake L, Mujina P Hongoro C Mpembeni R. 2000).

Private sector supporters noted evidence that "the private sector is the main provider", as many patients with average incomes prefer private dental care clinics (Berendes S, Heywood P, Oliver S, Garner P. 2010). The private sector can be more efficient and responsive to the needs of the patient because of market competition, because the public dental services exists at low efficiency and corruption (Rosenthal G Newbrander W 1996). Supporters of the public sector have highlighted the inequality of health care for the poor can not afford to pay for private dental service bills. In Albania, the private dental service are not reimbursed by the state as is the case in many developed European countries. For example, in Luxembourg when performing dental services in private clinics patients are reimbursed about 88% of the value of service. public clinics patient reimbursed 30% or not reimbursed at all, it is because public clinic patients are addressed only in emergencies situation. In private clinics do not perform emergency services because these services perform public clinics. In developed countries like Luxembourg change of public and private services remains the fact that public clinics provide first aid and other change is the cost of the service, but in this country and in other similar places is the same quality of service.

Table 1: Differences of private and public dental service in Albania

Dental service	
<i>Public Service</i>	<i>Private Service</i>
Less efficient	Efficient
Low cost service	High Cost of service
Nonprofit	Profit
Lack of investment	Investment

Source: Author

Albania has a different reality, because the cost of the service in private clinics is very high and not reimbursed by the state if the quality is high and the level of service is modern. Public dental service performs services not only to emergencies but surgical intervention, etc.

Conclusions and Recommendations

Dental health service dental health care is provided by public and private dental health care.

Albania has conducted many reforms in recent years for investments in public administration by including investments in the field of medicine in order to provide a quality service and affordable cost to the citizens but Albania does not provide still a quality health care system that provides access and ensure financial stability.

Dental care is provided by non-public providers outside attention of state. The state should establish professional standards in providing this service, guarantee the safety of dental medical materials and require periodic reassessment of the professional skills of doctors dentists.

Albanian state authorities should make radical reform to provide universal coverage for health care for all Albanians resident in order to that all citizens be treated and if they do not possess the financial resources.

Public dental services have a lack of equipment and medicines. The state should carry out investments to improve the situation in clinics public aims to offer a qualitative service to citizens.

Cost of services in private clinics is unaffordable by patients with low incomes, the state should follow the examples of European countries that the patient who treated at private clinics partly reimbursed.

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