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The Indonesian National Health Security's deficits: Excises and the handling of non-communicable diseases

Arief Budiono^{1,4*},  Nunik Nurhayati¹, Rizka¹,  Said Saidakhrarovich Gulyamov²,  Ayesha Hendiana Ngestiningrum³

¹Universitas Muhammadiyah Surakarta, Indonesia.

²Tashkent State University of Law, Uzbekistan.

³Poltekkes Kemenkes Surabaya, Indonesia.

⁴Guest Lecturer, Tashkent State University of Law, Uzbekistan.

Corresponding author: Arief Budiono (Email: ab368@ums.ac.id)

Abstract

The Social Security Establishing Agency for Health (Badan Penyelenggara Jaminan Sosial/hereinafter abbreviated as BPJS Health) is a legal entity created to establish health security programs to protect all layers of society with affordable premiums, providing wider coverage for Indonesians. However, there are many problems in the application of the BPJS Health program, such as annual deficits. This paper aims to analyze the harmonization of regulations on National Health Security related to the imposition of excises on foods containing high salt, sugar, and fat (SSF) to operate the National Health Security and BPJS Health. This was normative legal research, meaning that the authors conducted research on literary materials and/or secondary data. This descriptive research used the statute and conceptual approaches. There is a need for sustainable fiscal policies with several choices. The available choices include: (1) the choice of increasing the dues by 15% every two years or (2) applying a combination of policies that include increasing the discipline of members in paying their dues, increasing the efficiency of BPJS Health as the manager of these health funds, as well as obtaining funding from an alternative source (the extensification of tax imposition on foods and drinks containing high levels of salt, sugar, and fat). This paper can encourage the government to issue policies on the imposition of excises for products containing high SSF.

Keywords: Excise, Fat, Health, Law, Policy, Salt, Sugar.

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1. Introduction

Health security comprises a relationship where the state acts as a guarantor and the citizens are guaranteed. The Indonesian state issues various legal regulations to carry out its obligations in providing the aforementioned health security. The Social Security Establishing Agency for Health (*Badan Penyelenggara Jaminan Sosial*/hereinafter abbreviated as BPJS Health) is a legal entity that is created to establish health security programs with the aim of protecting all layers of society with affordable premiums, providing wider coverage for all of society [1].

Based on data from BPJS Health up to December 27th, 2019, it was found that the number of BPJS members reached 224.1 million people, which is 83% of all Indonesian citizens with a population of 269 million people. This was shown in the road map of the National Health Security/Healthy Indonesian Card (*Kartu Indonesia Sehat/KIS*). Among this number, 96.5 million people were contribution assistance recipients, whose contributions were paid by the State Budget. Additionally, 38.8 million people were contribution assistance recipient members from the Regional Budget. Furthermore, 14.7 million people among them were wage-receiving workers from the category of state civil servants; 1.57 million people among them were wage-receiving workers from the category of the Indonesian State Military; 1.28 million of them were wage-receiving workers from the category of the Indonesian Police Force; and 1.57 million of them were wage-receiving workers from the category of State-Owned Business Enterprises [2] as shown in Figure 1.

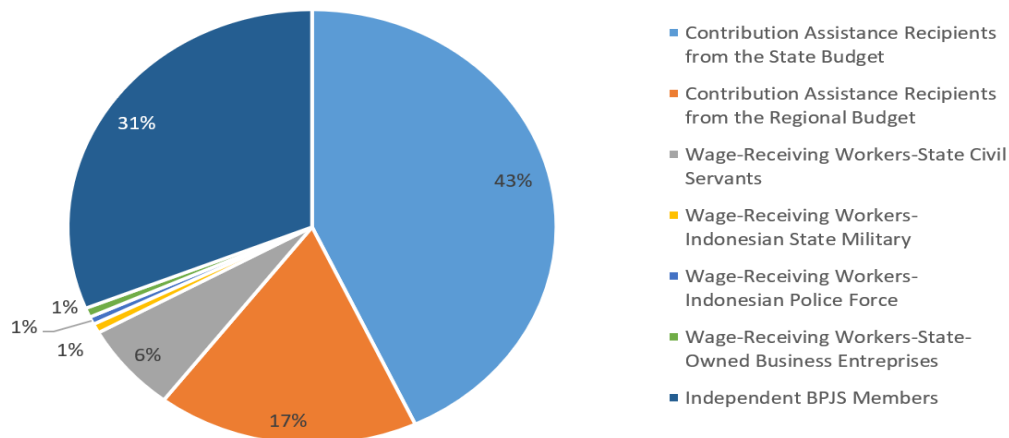


Figure 1.
The Division of BPJS Contributors up to December 27th, 2019.

Meanwhile, up to June 30th, 2024, the scope of the National Health Security has reached 273.5 million people or 96.83% of all Indonesian citizens. The government carried out efforts to achieve the membership scope target in 2024 as regulated in Presidential Regulation No. 36 of 2023 on the Roadmap of Social Security of 2023-2024. It is targeted that 98% of the population becomes BPJS members [3]. The participatory scope grew by 6.2 million (2.32%) compared to December 31st, 2023 [4] as shown in Figure 2.

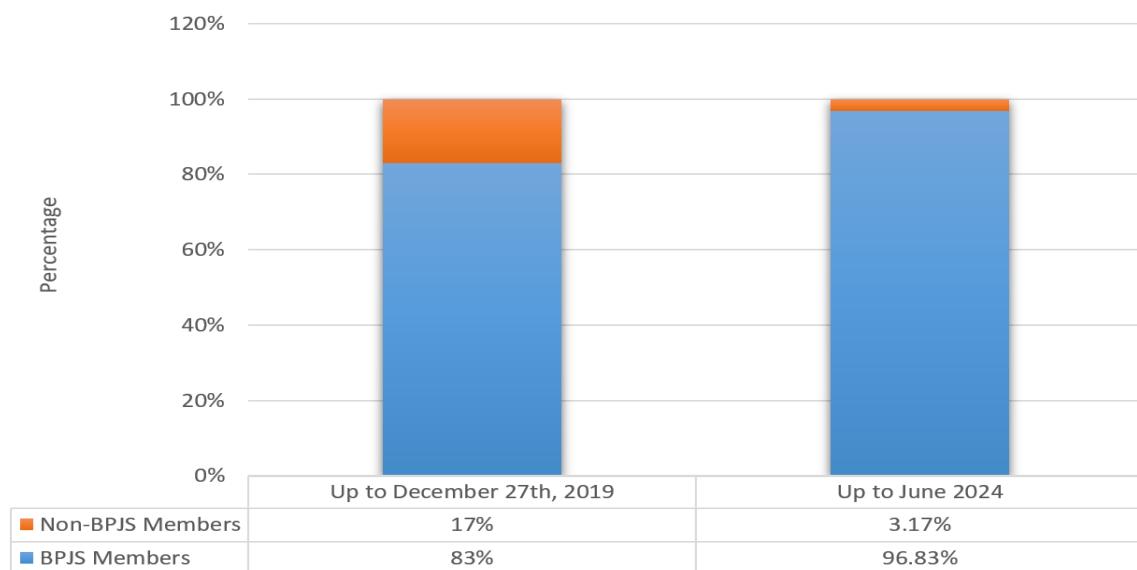


Figure 2.
The Comparison of BPJS Members on December 27th, 2019, and in June 2024.

In its development, there were many problems in the application of the BPJS Health program. On the one hand, this program provides society with access to health services. On the other hand, there are many issues in the provision of these

services [5]. Health workers complain about this program's consequences, including the proportional work burden of health workers, the suboptimal administration of health treatments to patients as it is limited by budget plafonds both for medicine and medical actions, as well as the service management burden of hospitals and the relationship between hospitals and third parties as service providers, such as pharmacies and health instruments [6].

Issues arise due to an excess of the financial deficit that occurred with BPJS Health. The finances of BPJS Health have consistently been in deficit from year to year. The government has not found an optimal solution for this problem, as the deficit worsens annually. In 2014, it experienced a deficit of Rp. 3.8 trillion. In 2015, it increased to Rp. 5.9 trillion. Next, in 2016, it inflated to Rp. 9 trillion. In 2017, it crept up to Rp. 9.75 trillion. In 2018, the deficit almost doubled to Rp. 16.5 trillion. Furthermore, in 2024, this number steeply increased to Rp. 20 trillion, as presented in Figure 3.

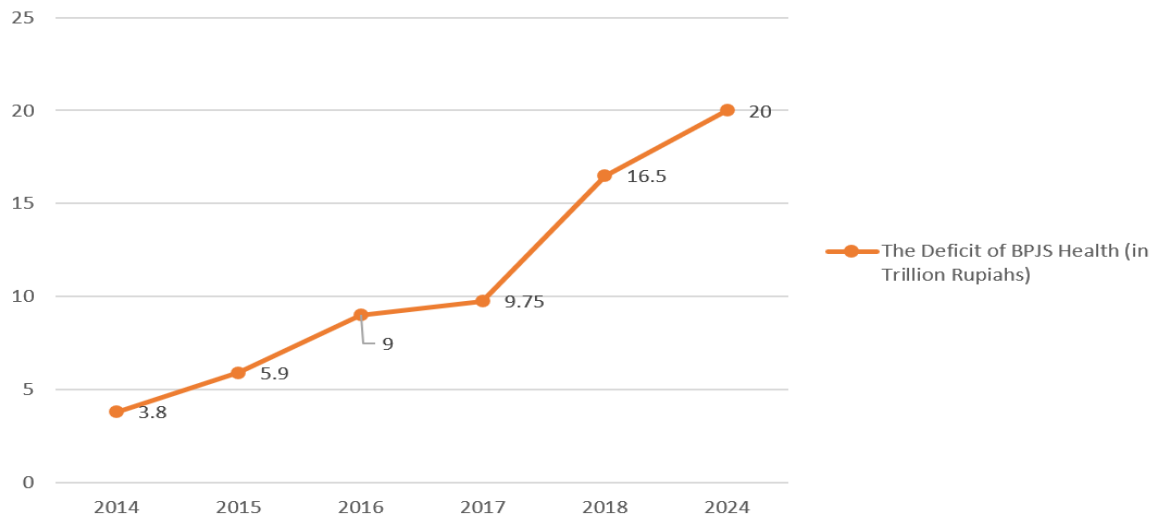


Figure 3.
The Financial Deficit of BPJS Health.

To resolve the issue of deficits, the government always injects bailout funds. However, this is deemed a short-term issue. In this case, there needs to be comprehensive policies, such as strengthening the BPJS institution by adding funds from sustainable sources, as well as decreasing the number of members who are treated and covered by BPJS without cutting service funds [7]. Research findings show that as a system that involves many parties, National Health Security experiences many issues [8]. The indication of the root of the problem in the National Health Security's implementation that shows financial deficits as shown in Figure 4 is as follows: (1) the income/contribution collection that is lower than the burden of expenditures to pay for health service costs, (2) contribution that is the main source of the National Health Security's income is still low and it is still not according to the calculation of the factual actuarial, (3) suboptimum membership, independent members' lack of discipline in paying contributions, (4) the increasing funding burden of catastrophic disease treatment services, (5) first-level health facilities are not yet optimum in carrying out promotive and preventive efforts, (6) the inefficient tiered referrals in Advanced Reference Health Facilities, and (7) the BPJS Health financial management and the health service establishment lack accountability and transparency.

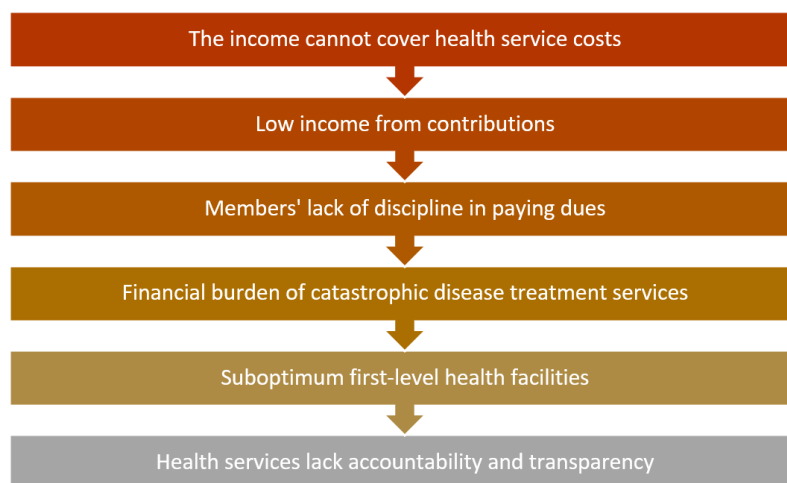


Figure 4.
Factors causing the National Health Security's deficits.

Several steps that may be taken as efforts to resolve the issue of the National Health Security funding deficits are: (1) increasing the price of contributions that must be paid according to the calculation of the factual actuarial; (2) increasing the number of National Health Security participants; (3) encouraging the compliance of independent participants in paying dues; (4) reviewing several services in treating catastrophic diseases; (5) optimizing the role of first-level health facilities in carrying out services and rearranging the referral system; (6) increasing the financial management accountability and transparency of BPJS Health and health service providers; and (7) the government needs to increase its contribution to the National Health Security funding, either by increasing the number of contribution assistance recipients, etc. This is presented in Figure 5.

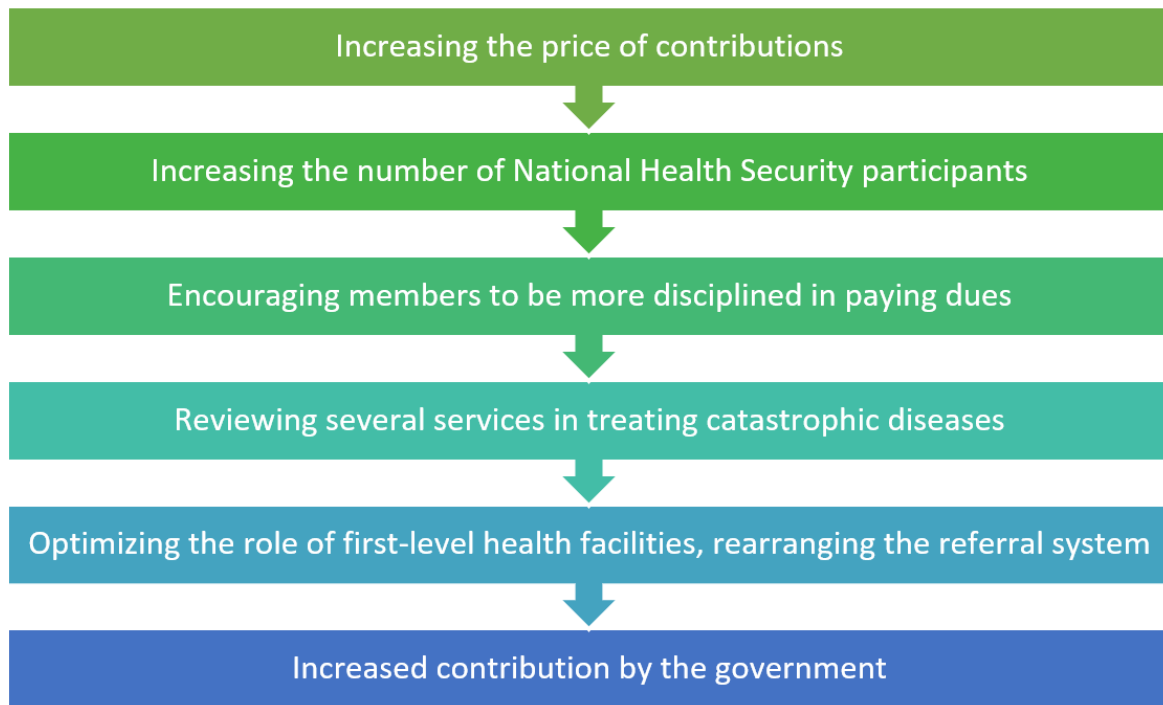


Figure 5.
Efforts to resolve the national health security's funding deficits.

The government and BPJS Health also need to discover alternative funding sources that may be directly used for the health sector (earmarking). For instance, it should carry out extensification of excise goods with direct impacts on the health quality, such as foods and beverages containing sugar, salt, and fat [9]. Based on the calculation, the amount of funds that originate from these excises may provide an additional health funding potential of up to Rp. 37 trillion each year. A combination of policies between the increase in members' discipline in paying dues, the efficiency of BPJS Health as the manager, as well as alternative funding sources (extensification of foods and beverages containing high sugar, salt, and fat that are imposed with excises), may be taken to resolve the issue of the National Health Security funding deficits [10]. By carrying out these suggestions, it is projected that by 2030, BPJS Health will experience a surplus of Rp. 13.5 trillion. The choice of increasing the contribution by 15% every two years cannot be used as a basis for increasing BPJS Health's income as it may be too burdensome for society. In the end, society will lack discipline in paying their dues. If the government does not take this step, the projection of deficits will reach Rp. 170 trillion by 2030 [11].

Previous research was conducted by Murwani, et al. [12], who found that the use of sweeteners that do not fulfill requirements can cause carcinogenic diseases. The risks of consuming foods and beverages containing high sugar include overweight and obesity, tooth decay, diabetes, osteoporosis, and bone fractures. Excessive sugar used in food products may have negative impacts on babies, toddlers under three years old, and the elderly. The consumption of sugar that exceeds the recommended levels will lead to an increase in weight. In the long run, this can lead to the emergence of type 2 diabetes. It may indirectly contribute to osteoporosis, heart disease, and cancer. Thus, to decrease society's consumption of beverages containing high sugar content, foods and beverages with high sugar may be subject to excise taxes. By increasing the prices of these products, society will likely reduce their consumption.

This research found a correlation between various diseases and the high sugar content in foods and beverages as well as the potential to decrease the rate of diseases due to the consumption of these products by having them imposed with excises. The authors' current research is more comprehensive as it analyzes the usage of excises by health security to handle diseases due to the excessive consumption of salt, sugar, and fat. Thus, this idea contains two benefits. On the one hand, it decreases the consumption of foods and beverages containing high salt, sugar, and fat through the imposition of excises. On the other hand, it strengthens the national health security through the imposition of that excise. This is presented in Figure 6.

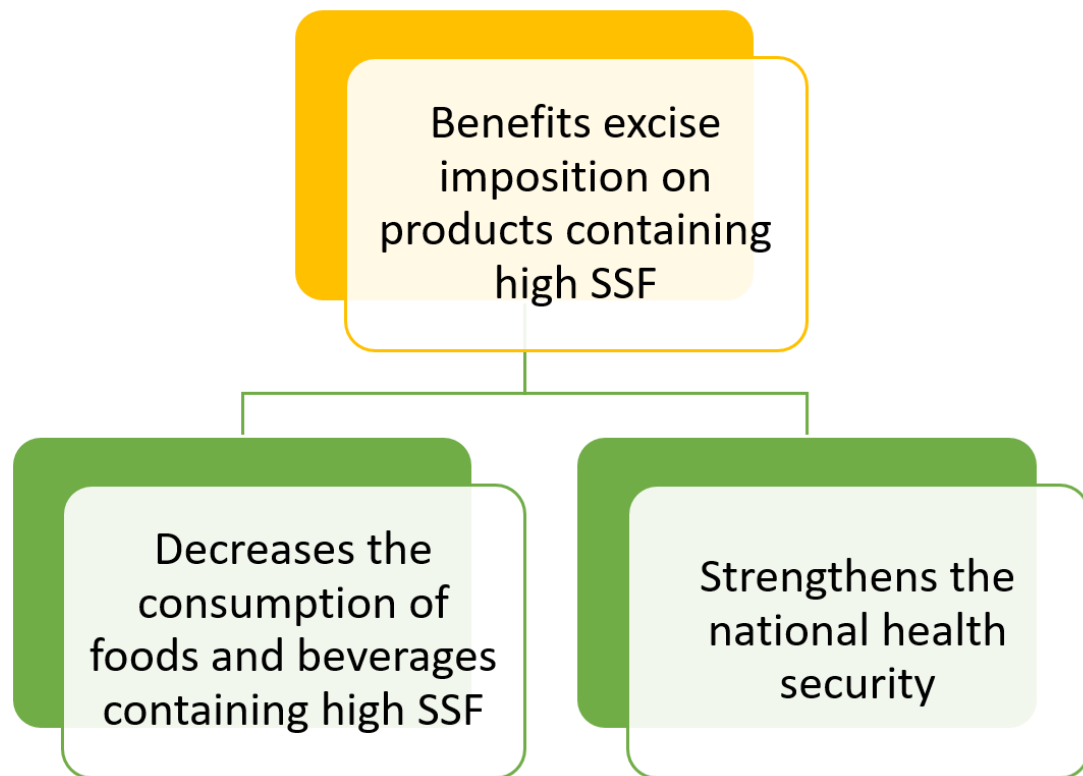


Figure 6.
The benefits of excise imposition on products containing high SSF.

Another previous research was conducted by Budiono, et al. [13]. It was found that the National Health Security Program established by BPJS utilized 68% of the national health security funds for treating non-communicable diseases (NCDs) due to people's excessive consumption of salt, sugar, and fat (SSF). Thus, to decrease the number of NCDs, there needs to be strict regulation on the distribution of foods containing high levels of SSF for children [13]. The authors' research is a continuation of this research as it analyzes the imposition of excises for foods containing high levels of SSF and the usage of excise funds by BPJS Health in the effort to handle NCDs.

The difference between the previous research and the authors' research is that the previous research only studied the amount of funds that BPJS Health used in handling NCDs, as well as the efforts of regulations on the distribution of foods containing high SSF for children in decreasing the rate of NCDs. In the end, it may decrease the number of people suffering from NCDs. Finally, the ratio of BPJS Health's funding for NCDs will decrease due to the reduction in the number of people suffering from these diseases.

The existing issue is that there is no legal basis for the imposition of excises on foods and drinks containing high SSF and the use of excises by BPJS Health. Thus, the problem of this research is: how is the harmonization of regulations on National Health Security related to the imposition of excises on foods containing high SSF to operate National Health Security and BPJS Health.

2. Method

This was normative legal research, meaning that the authors conducted research on literary materials and/or secondary data. This descriptive research used statutory and conceptual approaches. In conducting this research, first, the authors analyzed various regulations concerning health security and other organic laws related to the research object. Then, the authors utilized critical and predictive analyses to study the advantages and disadvantages of the former National Health Security policy model. Subsequently, the writers predictively reformulated a new model for the harmonization of laws regarding health security that are deemed to be more effective and suitable for strengthening Indonesian health security.

This was a type of descriptive research. This type of research does not only try to describe phenomena in detail through words and numbers; it also strives to answer key questions, such as who, when, where, and how. The main focus of this research was to provide an in-depth insight into the imposition of excises on foods and beverages containing high SSF, which has two effects, namely: (1) increasing the price, which will lead to a decrease in SSF consumption, as well as (2) the strengthening of the National Health Security through these excises. Thus, this research may provide clear guidelines for Indonesia in developing a similar policy. This research was pure research that aimed to widen scientific knowledge through analyses in an academic environment.

Data collection was carried out through comprehensive literary studies where the authors analyzed various documents, such as journals, books, theses, research papers, legal regulations, up to electronic mass media. These sources were analyzed to guarantee the obtainment of accurate and relevant information [14]. The authors utilized literary sources which were carefully chosen to strengthen the research's validity and make sure that this research provides a significant contribution to

the strengthening of National Health Security and decreasing the rate of NCDs. In doing so, it will decrease the allocation of funds for NCD treatment. Thus, there will be a larger allocation for diseases other than NCDs.

3. Results

Health is a basic capital for human beings so that they may carry out their activities. In the concept of the life of society and the state, health becomes the basic capital to carry out development and achieve advancement in various sectors. However, in line with the existence of economic advancement, various changes in terms of perception and lifestyle have occurred. Such changes may potentially yield negative impacts on public health. One of these changes is the consumption of foods and beverages containing high levels of salt, sugar, and fat (SSF) [15]. These products may be produced by domestic households, home industries, or mass-production industries. These foods and beverages have become closer and more accessible to society with the development of marketplaces and modern shops in districts and villages. Many members of society, both those with high and low education levels, do not pay attention to the strict limitations of daily intake. Thus, they may potentially consume excessive amounts of salt, sugar, and fat [16].

The data from the Republic of Indonesia's Minister of Health also showed that 28.7% of Indonesian society consumes sugar, salt, and fat (SSF) more than the indicated limit regulated in the Regulation of the Minister of Health No. 30 of 2013, which was amended by Regulation of the Minister of Health No. 63 of 2015. Meanwhile, 61.27% of Indonesian citizens over 3 years of age consume more than one sweetened drink per day, while 30.22% consume 1 to 6 sweetened drinks per day. Additionally, only 8.51% consume less than 3 sweetened drinks per month.

Meanwhile, for the area of Southeast Asia, the WHO stated that in 2012, around one million adults in this area died due to the consequences of NCDs. This includes mortalities that are directly caused by the consumption of SSF (such as diabetic coma) as well as deaths due to the complications and consequences of NCDs (such as kidney failure, heart diseases, vein diseases, as well as tuberculosis) [17]. In 2014, there were 96 million adults with diabetes in eleven member states. In 2015, 415 million adults suffered from diabetes, an increase of four times from 108 million in the 1980s. In 2040, it is estimated that this amount will become 620 million [18]. Almost 80% of the people suffering from diabetes come from countries with low and middle income. The percentage of adults with diabetes was 8.5% (1 in 11 adults suffer from diabetes) [19].

Much research has shown a strong correlation between the excessive consumption of foods and drinks containing high salt, sugar, and fat and the occurrence of non-communicable diseases, especially type 2 diabetes. In the last twenty years, the consumption of foods and beverages containing high SSF increased. Around 61% of Indonesians consume at least one food or beverage containing high SSF daily. In 2019, seven out of ten deaths in Indonesia were caused by NCDs, with diabetes placed in the third rank. Between 2013 and 2018, the prevalence of type 2 diabetes among individuals aged 15 and above increased from 6.9% to 8.5% [20].

Many studies have shown that the imposition of excises on foods containing high SSF is an effective policy for decreasing society's consumption. It may also potentially decrease the burden of NCDs and early deaths. Globally, this excise has been applied in more than 100 countries. The Republic of Indonesia's Ministry of Finance and the Ministry of Health have planned and implemented the application of excises on foods and beverages containing high SSF since 2016. However, up to March 2024, this policy has not been applied. In 2023, the General Directorate of Customs and Excises stated that the application of excises on foods and beverages containing high levels of SSF was postponed due to the need to recover post-pandemic domestic and global economies. Additionally, there was a need for the preparation of regulatory plans that are still not finalized. Next, the Indonesian Association of Food and Beverage Producers (*Gabungan Produsen Makanan dan Minuman Indonesia*/GAPMMI) stated that these excises will have negative impacts on their businesses. They claim that the excise policies are ineffective. This has raised concerns in society regarding the importance of the excise imposition on foods containing high SSF in decreasing the rate of NCDs as well as in strengthening National Health Security [21].

The high consumption of SSF is closely linked to type 2 diabetes mellitus. Apart from that, the high consumption of SSF may cause obesity and the chances of an epidemic of related diseases, such as diabetes and heart disease, as stated by Pomeranz [22] and Fachrudin [23]. The majority of NCDs were found to happen in low-middle-income countries. Then, the highest morbidity and death happen to those aged above 60 years and younger. This diabetes epidemic will certainly increase the burden on the government. Thus, the government must increase its social investment in the health sector or impose excises on the use of foods and beverages containing high salt, sugar, and fat to decrease public health treatment.

The analysis showed that 77 million people or 29.7 percent of Indonesia's population consume sugar, salt, and fat exceeding WHO recommendations: sugar (> 50 g/day), salt (> 5 g/day), and fat (> 67 g/day). This should be anticipated due to the increasing trend of people with non-communicable diseases, such as obesity hypertension, diabetes mellitus, and stroke which have already been apparent since 2013. The imposition of excises on foods and beverages containing high SSF is a step that is recommended by international organizations such as WHO and OECD. However, to bring greater impacts in decreasing obesity, the imposition of excises must be accompanied by other steps, such as guaranteeing the National Health Service's access to the excises' proceeds; the availability of healthy food and beverage choices for society; arranging healthy food and beverage advertisements according to the international standard; promoting simple labels on the front of packages to help people choose healthy foods; organizing educative campaigns; creating strategies to promote physical activities; as well as other steps. The imposition of executive excise tariffs is hoped to be an ideal effort in decreasing the epidemic of obesity, chronic illnesses, and NCDs due to foods and beverages with a high rate of SSF. The advantage of this excise is that it has a specific form, namely volume-based excises which may decrease the consumption of foods and beverages, especially in large sizes. Concerning the estimation of price elasticity towards the demands of soft drinks, based on the two national representative databases show that if the price of foods and beverages increases by 10%, their consumption may decrease by 10% to 13% [24, 25].

To strengthen BPJS Health by increasing its financial strength and decreasing the externality of item consumption, the government needs to widen its basis of excises. Foods and beverages containing high levels of sweeteners, salt, and fat may become potential objects to increase excises. This is because, in these foods and beverages, one can find high contents of SSF that are deemed unsuitable for consumption as regulated in the Regulation of the Minister of Health No. 51 of 2016 on the Standard of Nutrition Supplementation Product.

In the effort to impose excises on foods and beverages containing high SSF, there needs to be strengthening and synchronization of regulations known as legal harmonization. It is a fact that regulations on foods and beverages containing high SSF have been established in the Regulation of the Minister of Health No. 30 of 2013 on the Inclusion of Information on Salt, Sugar, and Fat, as well as Health Messages for Processed Foods and Fast Foods. It was found that the consumption of salt, sugar, and fat that exceeds 50 g (4 tablespoons), the consumption of sodium that exceeds 2000 mg (1 teaspoon), and the consumption of fat/oils of more than 67 g (5 tablespoons) per person per day [26] will increase the risks of hypertension, stroke, diabetes, and heart attacks. It is true that information on SSF contents, as well as health messages contained on food labels and fast foods, are easily readable to consumers. However, there are no sanctions or legal consequences for violations against it, such as the failure to include information or presenting misinformation on packages [27].

Another regulation that provides stipulations on this issue is Regulation of the Minister of Health No. 41 of 2014 on the Guidelines to Balanced Nutrition. However, with the rampant development of food and beverage businesses, society lacks awareness and insight into the impacts of SSF overconsumption. It is difficult to enforce these non-fiscal regulations as they are merely suggestions without the imposition of sanctions on societal members who fail to follow them. Thus, it is possible that these regulations are ineffective in changing societal behavior. Therefore, there is still a high prevalence of diabetes due to the lack of sanctions in these regulations [28].

In the regulation on excises in Law No. 39 of 2007 on the Amendment of Law No. 11 of 1995 on Excises, it is stated that excises are state collections that are imposed on certain items whose characteristics are determined in the law. These determined characteristics include [29]:

- a. Its consumption needs to be controlled;
- b. Its distribution needs to be supervised;
- c. Its usage brings negative impacts to society or the environment; or
- d. Its usage requires the imposition of state levies for justice and balance.

According to Law No. 39 of 2014, up to now, excises are imposed on three types of items, namely ethyl alcohol, beverages containing ethyl alcohol, as well as tobacco products. Clause (2) of this law states, "The addition or subtraction of the types of excise goods is further regulated in Governmental Regulations." Then, the explanation of that clause states that the addition or subtraction of the types of goods imposed with excises is delivered by the government to the Republic of Indonesia's People's Representative Assembly equipment under the financial sector to obtain approval and to have it inserted in the Bill on the State Budget and Expenditures. Thus, it is clear that there needs to be legal harmonization or legal processes in creating these amendments. The insertion of excise stipulations requires the legal process of People's Representative Assembly equipment and the government [30].

Several groups encourage the government to carry out excise extensification due to the limited number of objects imposed with excises. According to the Executive Director of the Center for Indonesia Taxation Analysis, new excise objects need to be reviewed based on externality and best practices from other countries. This includes sweetened soft drinks, motorized vehicles, and gas. Discourse on the addition of excise objects has reemerged in recent years due to the statement of Sri Mulyani, Indonesia's Minister of Finance, who proposed the imposition of excise tariffs on sweetened beverage products. Meanwhile, apart from the offer to impose excises on foods and drinks containing high sugar content, the Ministry of Health also proposed the imposition of excises on foods and beverages containing high levels of fat and salt [31].

The consumption pattern of foods and beverages containing high levels of SSF also burdens the health system due to high treatment costs. It also brings negative impacts on society's productivity [32] as in Indonesia, the treatment for NCDs related to the excessive consumption of foods and beverages containing high levels of SSF has taken 68% of the national health security's budget. The consumption of foods and beverages high in SSF is also directly linked to the increase in NCDs such as diabetes and obesity. Thus, its consumption needs to be controlled with excises or other sanctions. Wetter proposed that excises on foods and beverages containing high levels of SSF may become an effective tool to improve society's health. Thus, it should become one of the priorities of policymakers [33].

4. Discussion

The imposition of excises is an effort of control (instrument control). The imposition of excises on goods aims to control goods with certain characteristics as regulated in the Law on Tax Article 2 Clause 1. Thus, the imposition of excises does not only aim to increase state income. In essence, excises also have the role of a budget function instrument (*budgetary*). It is a government instrument to obtain state income. In this case, the income from excises on goods containing high SSF is proposed to be used for the National Health Security. If further assessed, the imposition of excises is crucial to control the negative externality that will emerge if such goods are consumed. In this case, excises actually have a role as a regulatory instrument (instrument of control). Taxes have the budget function, while excises have the regulatory function (*regulated*).

The imposition of excises on foods and beverages containing high SSF may be categorized as a preventive measure. Law No. 17 of 2023 on Health states that the definition of preventive health services is a preventive activity against a health issue or disease. It is then stated that the central government, regional governments, and society carry out efforts to prevent, control, and handle non-communicable diseases, as well as the impacts that they may cause. These efforts aim to increase knowledge, awareness, and willingness to practice healthy behaviors, as well as to prevent the occurrence of NCDs and the

impacts that they cause. However, there is no specific regulation on sanctions in the case of violations against the stipulations on the excise imposition of foods and beverages containing high SSF.

Globally, there are currently 108 countries that apply excises on foods and drinks containing high-level sweeteners, including several ASEAN countries, such as Thailand and the Philippines [34]. Many countries have also imposed excises on foods and drinks containing high fat and salt. The policy of excise imposition on foods and drinks containing high SSF is not only an important step to increase public health. However, it is also an effective tool to strengthen social equality and generate state income that may be reinvested for public health [35]. In this case, it is allocated for the National Health Security. It is hoped that the imposition of such excises may significantly decrease the consumption of foods and drinks containing high SSF, force producers to decrease SSF content in their products, as well as encourage consumers to shift to healthier beverages.

It is hoped that the policy of excise imposition may increase the prices of such products, which is hoped to decrease their consumption [36]. Excises are currently imposed on goods and services related to smoking, drinking, gambling, polluting, and transportation activities. Smoking and the consumption of foods and beverages that contain ingredients that may impact human health (including both alcoholic and non-alcoholic drinks) may have their objects imposed with excises. According to Thompson's concept of excises, there are three basic characteristics of excises that are generally differentiated from other types of taxes, including indirect tax [37].

In the trajectory of taxation history, the scope of this coverage has become an important differentiating factor between excise (often called selective sales tax) and general sales taxes or sales tax (general excise). In the excise system, the goods or commodities that may be imposed with tax are specifically stated in laws and/or regulatory instruments at a lower level. These unique characteristics have led Indonesia to impose excise on tobacco products, distilled alcohol, and beverages containing ethyl alcohol. On the other hand, in sales tax, its tax basis essentially encompasses all commodities sold except those that are explicitly exempted by legal regulations. Furthermore, as a logical consequence of this selectivity of coverage characteristic, the rates (including their layers and magnitude) are separately determined for each commodity. Indeed, every commodity or commodity group may have basic considerations and targets. Therefore, they may also have different excise tariffs. Conversely, sales tax generally has the same tariff for all commodities (flat rate) [38].

In this context, various arguments may be proposed to support the imposition or application of excises [22]. First, it is to control the consumption of goods that are deemed immoral or unhealthy if consumed by society. An example of this is sumptuary excises or sin taxes on cigarettes and alcoholic beverages. Second, it is to internalize external diseconomies that are caused by the production or consumption of certain products. In literary works, they are often deemed regulatory-type levies of pollution excises. For instance, excises are imposed on the steel production units of steel factories located on river banks that dispose of their production waste to that river. Further, the (polluted) river water becomes the main production factor of a beer factory in downstream. Thus, it is clear that negative externality has happened (external diseconomies) [39].

5. Conclusion

The National Health Security by BPJS Health has consistently experienced losses since its establishment, aside from the pandemic era from 2020 to 2022, as it received backup funds to handle COVID-19. BPJS Health's deficits reached a staggering amount, i.e., Rp. 20 trillion in 2024. Among the causes of such deficits is the handling of non-communicable diseases (NCDs) that utilized 68% of the National Health Security allocations of BPJS Health. These NCDs include heart attacks, high cholesterol, high blood pressure, kidney failure, and other diseases that are caused by the consumption of foods and beverages containing high levels of salt, sugar, and fat. In handling the deficits from the previous years, the government has always covered these deficits using a budget from the state to prevent health security from collapsing.

There needs to be sustainable fiscal policies with several choices. The available choices include: (1) the choice of increasing the dues by 15% every two years or (2) applying a combination of policies which include increasing the discipline of members in paying their dues, increasing the efficiency of BPJS Health as the manager of these health funds, as well as obtaining funding from an alternative source (the extensification of tax imposition on foods and drinks containing high levels of salt, sugar, and fat). These choices may be taken to resolve the issue of the national health security funding deficits. The imposition of taxes requires the enactment of new regulations on taxes that regulate the magnitude of taxes, the types of foods and beverages that are imposed with taxes, as well as the allocation of these taxes. In this case, the taxes are yielded to BPJS Health to fund the national health security.

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