

Book Review

Integrated Risk Management in Health Insurance Entities from East-Central Europe

by Bogdan Stoica, “Economică” Publishing House, 2024, 424 p.

Ciprian NICOLESCU¹

Published at the end of last year, the book signed by B. Stoica, PhD in the field of management, is a unique appearance in our country in the editorial landscape of the management of public or private health insurance entities, being representative, through the research segment, for the entire area of East-Central Europe.

The volume has a novel character, containing many new elements compared to other works in the field, and we would like to point out the following:

- The work has a special contribution to the systematic literature review in the field, the results of the work surpassing, from some points of view, the surveys of the Federation of European Risk Management Associations from recent years, regarding the status of Risk Management (RM) in the East-Central Europe area (ECE) and in the field of Health Insurance Entities (HIEs), about which few specialized studies have been published, especially about the state HIEs. The analysis of the ECE area is also topical in the context of the war in Ukraine that affected the national health systems of the neighboring states. Although it presents the advantages of the Enterprise Risk Management (ERM) approach compared to the traditional approach (TRM), the paper is among the few that carries out a serious critique of ERM.
- The author approaches the sanitary system distinctly from the health insurance system and analyzes the risks of the latter in 12 ECE states (Bulgaria, Czech Republic, Croatia, Estonia, Hungary, Latvia, Lithuania, Poland, Republic of Moldova, Romania, Slovakia and Slovenia), taking into account more than 50 indicators from the last three decades, identified in databases and reports, compared and analyzed, in the context of related legislation and reforms, a rare fact even in large-scale works.
- The volume is the first academic work that provides an explanation of the importance of HIEs divisions in the ECE space according to the territorial-administrative division of states and disseminates specific aspects of risk management in contracting between HIEs and suppliers of medicines, materials



¹ Ciprian Nicolescu, Prof. PhD, Bucharest University of Economic Studies, Romania, ciprian.nicolescu@man.ase.ro

and medical devices (a cause-effect chain exposed to risks). At the same time, it transposes the organizational practice into a *corpus* of scientific knowledge and elaborates a real qualitative-quantitative matrix of specific risks, based on the theoretical-empirical research of dozens of HIEs. The extensive volume of the work is due to an interdisciplinary approach to several types of management: of risk, organizational, financial, of contracting, etc. The sample was addressed to more than 250 territorial and central HIEs, which gives the paper a statistical significance, being one of the most extensive samples used in research of this type.

- The author proposes two models that have a high potential to generate superior performance within HIEs. The first proposed optimized conceptual model contains 7 stages of implementing/improving risk management systems in HIEs and 5 stages of the risk management process consisting of appropriate methods and techniques in HIEs, 3 levels presented in the traffic light technique, 16 best practices, the involvement of human resources from execution to top management and the time resource allocated to each stage, with a total improved compared to that proposed in previous similar models. In completion of the first model, the author proposes a second model. After the literature filtering regarding CSFs (Critical Success Factors), he extracts top 5 factors from over 20 studies, based on which he builds the AHP (Analytic Hierarchy Process) architecture, consults 5 risk experts through the focus group interview and processes the results in a specific software. The second model for improving risk management in HIEs, based on the results, proposes 3 ERM alternatives (external consultant, electronic risk management system and budget allocated to risk management), 6 key areas and 3 CSFs (availability of resources, staff training and organizational structure).
- Unlike most theoretical works that omit the practical applications of the research results, this volume proposes an ITC application called "Risk Management in Contracting Process" (RMCP) in the organizational practice of HIEs. Built on the basis of the current legislation, realities and requirements, RMCP can be optimized and extended to other segments. The role of the RMCP is to centrally monitor on a national scale the contracting process in Romanian HIEs and to provide an overall graphic representation in real time of the risk level of contracts that would not be concluded within the established terms.

The use of a comprehensive set of methods and techniques (SLR, data analysis, case study, SWOT analysis, questionnaire survey, focus group interview, evaluation of CSFs by the AHP method, etc.), both in theoretical research and in empirical research, gives the volume a quadruple significance: theoretical (consistent epistemological input), empirical (two resulting models), practical (an ITC application) and methodological (assistant for the revision of guidelines). The work falls into the category of valuable works, being particularly useful from a theoretical and pragmatic-applicative point of view to students, master's students, PhD students, researchers, risk responsables, civil servants, managers and other people who show interest in this field.