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The reality of financial risk management in Palestinian hospitals, Case of "Al-Makassed Islamic Charitable Society hospital."

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Thesis Approval

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الاهداء

إلى روح أبي العطوف .... قدوتي، ومثلي الأعلى في الحياة؛ فهو من علَّمني كيف أعيش بكرامة وشموخ.

إلى أمي الحنونة..... لا أجد كلمات يمكن أن تمنحها حقها، فهي ملحمة الحب وفرحة العمر، ومثال التفاني والعطاء.

إلى إخوتي.... سندي وعضدي ومشاطري أفراحي وأحزاني.

إلى زوجي... أسمى رموز الإخلاص والوفاء ورفيق الدرب

إلى معلمتي القديرة التي لولاها لما توجت بحثي هذا وحصلت على درجة علمية

والأهل جميعًا الذين انتظروا هذا اليوم طويلاً... وتطلَعوا إليه...

إلى أصدقائي وزملائي

إلى كل من له في قلبي مكانة خاصة

إلى كل من ساندني في هذا الجهد

سماء عمر فرعون

Declaration

I verify that this master thesis submitted for the degree of master in business adminitration, is the result of my own research, except where otherwise acknowledge, and that this thesis (or any part of the same material) has not been submitted for a higher degree to any other university or institution.

Name: Sama Omar Hussien Faroun

Signed: .....

Date: 09-08-2021

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I begin by thanking God , my Creator and Protector, for his great gift and great success in completing this study.

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Study Terms Definition

1. **Risk management**: the performance of activities designed to minimize the negative impact (cost) of uncertainty (risk) regarding possible losses."(Schmit and Roth, 1990, p.457).
2. **Risk management:** a systematic process for the identification and evaluation of pure loss exposure faced by an organization or an individual, and for the implementation of the most appropriate techniques for treating such exposure. (Radja, 1997, p.40).
3. **Risk financing**: is a way to finance losses that the risk control techniques implemented did not stop from happening.
4. **Financial risk**: is the risk that a company won't be able to meet its obligations to pay back its **debts**. Which in turn could mean that potential investors will lose the money invested in the company. The more debt a company has, the higher the potential financial risk. (Basel committee ,2001).
5. **Financial risk management**: is a process to deal with the uncertainties resulting from financial markets, it also ensures that management, operational staff, stakeholders, and the board of directors are in agreement on key issues of risk. (K. Horcher,2005)

Abstract

The aim of this study was to assess the reality of financial risk management in Palestinian hospitals, case of Al-Makassed Islamic Charitable Hospital in Jerusalem.

The Cross-Sectional Descriptive Analytic designs was used in this study, At Al-Makassed Islamic Charitable Hospital in Jerusalem.

All employees in administration department and Financial department which equal 32 employees and 60 of patients divided equally for open and closed units at Al-Makassed Islamic Charitable Hospital.

The total mean for employee's agreement toward financial part equal 3.18

(Std. Dev. =1.04) that considered moderate agreement,

The total mean for employee's agreement toward Profitability part equal 2.56

(Std. Dev. =1.19) that considered moderate agreement.

The total mean for employee's agreement toward Effects of Financial Risk equal 4.37 (Std. Dev. = 0.2) that considered High agreement.

The total mean for patient's agreement toward financial part of Economic factors when deciding to treat in Al-Makassed hospital equal 3.45 (Std. Dev. =1.26) that considered high agreement. The total mean for patient's agreement toward The Suitability of Prices in Al-Makassed hospital equal 3.40 (Std. Dev. =1.12) that considered high agreement.

According to the results there was a strong positive relationship between financial risk management and hospital's ability to maintain quality and safety of patients care.

For hospital employees there a moderate agreement with financial dimension and profitability dimension, however, they have high agreement with the effects of financial risk. For patients high agreement with the importance of Economic factors when deciding to treat in a hospital and the suitability of prices.

واقع إدارة المخاطر المالية في المستشفيات الفلسطينية حالة مستشفى جمعية المقاصد الخيرية الإسلامية

اعداد الطالبة : سماء عمر حسين فرعون.

إشراف: د. عروبة البرغوثي

ملخص الدراسة

هدفت الدراسة إلى تقييم واقع إدارة المخاطر المالية في المستشفيات الفلسطينية ، حالة مستشفى المقاصد الإسلامي الخيري في القدس.

تم استخدام التصاميم التحليلية الوصفية المقطعية في هذه الدراسة في مستشفى المقاصد الخيري الإسلامي في القدس.

شملت الدراسة جميع العاملين في قسم الإدارة والقسم المالي والبالغ عددهم 32 موظفًا و60 مريضًا موزعين بالتساوي على الوحدات المفتوحة والمغلقة بمستشفى المقاصد الخيري الإسلامي.

المتوسط الإجمالي لاتفاق الموظف تجاه الجزء المالي يساوي 3.18(Std. Dev. = 1.04) التي تعتبر اتفاقًا معتدلًا ، المتوسط الإجمالي لاتفاق الموظف تجاه جزء الربحية يساوي 2.56 (Std. Dev. = 1.19) التي تعتبر اتفاقية معتدلة.

المتوسط الإجمالي لموافقة الموظف تجاه تأثيرات المخاطر المالية يساوي 4.37 (Std. Dev. = 0.2) التي تعتبر موافقة عالية.

المتوسط الإجمالي لموافقة المريض على الجزء المالي من العوامل الاقتصادية عند اتخاذ قرار العلاج في مستشفى المقاصد يساوي 3.45 (Std. Dev. = 1.26) التي تعتبر موافقة عالية. المتوسط الإجمالي لموافقة المريض على ملاءمة الأسعار في مستشفى المقاصد يساوي 3.40 (Std. Dev. = 1.12) وهذا يعتبر اتفاقًا مرتفعًا.

وفقًا للنتائج ، كانت هناك علاقة إيجابية قوية بين إدارة المخاطر المالية وقدرة المستشفى على الحفاظ على جودة وسلامة رعاية المرضى.

بالنسبة لموظفي المستشفى هناك اتفاق معتدل مع البعد المالي وبعد الربحية ، ومع ذلك ، لديهم اتفاق كبير مع آثار المخاطر المالية. موافقة المرضى عالية على أهمية العوامل الاقتصادية عند اتخاذ قرار العلاج في المستشفى ومدى ملاءمة الأسعار.

Chapter One:

Background of the study

1.1 Introduction:

Al-Makassed Hospital, located in the occupied city of Jerusalem, is one of the most important health institutions. It contains (270) beds at the present time, becoming the main hospital to which patients are referred from Jerusalem, the West Bank and the Gaza Strip. The hospital is also an educational center that provides training, specialization, and scientific research services for resident doctors and medical students in cooperation with Al-Quds University.

Al-Makassed Hospital operates in an environment with many challenges, both at the level of the internal environment and external, it has become necessary for it to analyze the strengths and weaknesses in its internal environment, and the opportunities and challenges that surround it from the external environment.

Risk management is a management activity that becomes more important as companies become more global and more competitive. The risk management process consists of a series of steps that define context, define, analyze, assess, process, control, communicate, and continuously improve decision making. By implementing risk, organizations can reduce unexpected and costly emergencies and allocate resources more efficiently. It helps improve

communication and improve organizational performance by providing a brief summary of the threats it may face (Pojasek, 2017).

Managing financial risk necessitates making organizational decisions about risks that are acceptable versus people who don't seem to be. The passive strategy of taking no action is that the acceptance of all risks by default. Organizations manage financial risk employing a style of strategies and products. it's important to know how these products and methods work to cut back risk within the context of the organization's risk tolerance and objectives. (K.Horcher,2005)

When considering the financial health of hospital facilities, varying financial indicators measuring profitability, liquidity, and solvency represent significant markers of financial health; however, discerning financial health is complicated among hospitals and it is difficult to rank the numerous indicators by importance or predictive power. Additionally, individual indicators do not necessarily capture all aspects of hospital financial health, and their order of importance is unclear since varying studies cite different measures as being the most effective indication of impending fiscal problems. (Brecher C, Nesbitt S ,2018)

1.2 Problem statement:

Al-Makassed Islamic Charitable Society Hospital, like other institutions operating in Palestine, exclusively in Jerusalem, faces many problems, whether the various Israeli practices, or the inability of the Palestinian Authority to pay its dues to the hospital, and others. Which leads to the hospital working in a high-risk environment, in addition to the internal environment of the hospital and related to the nature of its work in terms of administrative, financial or technical aspects.

As chief financial officer " Jamal AlDaqaq" said : (Al-Makaseed hospital is facing financial crisis and debts on the Palestinian National Authority and patients who are treated on their own account are estimated at millions of shekels, moreover the percentage of patients receiving treatment at the expense of a referral from the Palestinian National Authority is 70% of whole hospital patients.

In other words, the hospital's work depends heavily on patients referred from the Palestinian National Authority).

The delay in the payment of financial dues to Al-Makassed hospital, which affects their performance ,and leads to shortage in cash flow to cover the staff salaries, drugs and supplies purchases and other expenses.

Financial dues could be committed by governmental or private insurance companies, or by patient at his own expense.

One of the challenges facing the Ministry of Health's budget is the rise in the bill for medical transfers ("purchase of service"). In 2018, it allocated NIS 450 million from the public treasury. The budget of the Ministry of Health in Palestine in 2018 is (787,683,000) NIS; 11% of the general budget, and the actual expenditure achieved is in line with the allocated budget, In the allocated development budget that has increased over the years 2016-2018 Good and statistically significant, However, health coverage is needed, according to the World Health Organization (WHO) standards, there is still a need for more budgets allocated to the Ministry of Health 2017-2022. (B.Falah, J.Meshal and W.Betawi,2020)

1.3 Significance of the study:

The significance of the study can be viewed along research and policy.

Concerning the research significance, this study goes beyond current research on financial risk management so this is the first study on financial risk management in Al-Makassed hospital and in Palestinian hospitals.

The results of this study can help the health sector in general in identifying the reality of financial risk management in hospitals and its importance in preventing many consequences, and the importance of studying financial risks in hospitals and implementing plans to support medical services and improve performance.

The study helps Al-Makassed Hospital to know current financial performance ,profitability and effects of financial risk, to resolve weakness and support strenths.

1.4 Study Objectives:

1. To study the current financial performance and profitability at Al-Makassed hospital.
2. To identify the main effects of financial risk.
3. To observe the relationship between patient's agreement toward the importance of factors when deciding to treat at Al-Makassed hospital.
4. To observe the relationship between patient's agreement toward Suitability of Prices when deciding to treat at Al-Makassed hospital.

1.5 Study Hypothesis

Inferential hypothesis for Al-Makassed Hospital employees

1. There are no significant differences at ($\alpha \leq 0.05$) between employee`s agreement toward financial Dimension at Al-Makassed hospital related to Socio demographic variables (Gender, marital status, age, educational level, years of experience and job position).

2. There are no significant differences at ($\alpha \leq 0.05$) between employee`s agreement toward profitability dimension at Al-Makassed hospital related to Socio demographic variables (Gender, marital status, age, educational level, years of experience and job position).

3. There are no significant differences at ($\alpha \leq 0.05$)between employee`s agreement toward effects of financial risk at Al-Makassed hospital related to Socio demographic variables (Gender, marital status, age, educational level, years of experience and job position).

Inferential hypothesis for Patients at AL-Makassed Hospital

1. There are no significant differences at ($\alpha \leq 0.05$)between patient's agreement toward the importance of factors when deciding to treat at Al-Makassed hospital related to Socio demographic variables (Gender, marital status, age, educational level, years of experience and job position).

2. There are no significant differences at ($\alpha \leq 0.05$) between patient's agreement toward the suitability of prices at Al-Makassed hospital related to Socio demographic variables

(Gender, marital status, age, educational level, years of experience and job position).

1.6 Structure of the Study

- **Chapter 1: Background of the study**

- **Chapter 2: Theoretical Framework and Literature Review**

This chapter presents the essential concepts and issues associated with risk management, after define and identify risk management, why risk management need, then outline background about risk management model and discuss the core principle of the chance management system for health care systems, moreover presents the fundamental concepts of monetary risk - and risk types, after defining and identifying different risks presents the most elements of the management and treatment for specific risks . Also introduces overall review of Palestinian health system and Al-Makassed Hospital.

- **Chapter 3: Methodology**

This chapter includes, the design of the study was explored. Study instrument, and data collection process were also described. Settings in which the study was conducted and characteristics of the population were also discussed.

- **Chapter 4: Results**

In this chapter results of both employees and patient's questionnaires analysis are shown. First part contains Socio demographic Characteristics, descriptive statistics and inferential hypothesis for employees in AlMakassed Hospital, and second part contains Socio demographic Characteristics, descriptive statistics and inferential hypothesis for patients in AlMakassed Hospital.

- **Chapter 5: Conclusion and Recommendations**

Chapter two:

Theoretical Framework

Introduction

This chapter presents the essential concepts and issues associated with risk management, after define and identify risk management, why risk management need, then outline background about risk management model and discuss the core principle of the chance management system for health care systems, moreover presents the fundamental concepts of monetary risk - and risk types, after defining and identifying different risks presents the most elements of the management and treatment for specific risks . Also introduces overall review of Palestinian health system and Al-Makassed Hospital.

2.1 Theoretical Framework

2.1.1 Risk Management

Risk management is a management activity that becomes more important as companies become more global and more competitive. The risk management process consists of a series of steps that define context, define, analyze, assess, process, control, communicate, and continuously improve decision making. By implementing risk, organizations can reduce unexpected and costly emergencies and allocate resources more efficiently. It helps improve communication and improve organizational performance by providing a brief summary of the threats it may face (Pojasek, 2017).

"Risk management is defined as a scientific process for the identification and evaluation of pure loss exposure faced by a corporation or a private, and for the implementation of the foremost appropriate techniques for treating such exposure."(Radja, 1997, p.40). Two main thoughts are often extracted from these definitions: uncertainty and process. We cannot expect the longer term with accuracy. uncertainty rises when a personal notices risk; it pushes him to manage or a minimum of to be prepared to the possible outcomes.

The core principles that drive decision-making for prioritizing and mitigating risk are likely set in most risk managers' brains, but like many other bits of information a review of the fundamentals is both reinforcing and refreshing. Our day-to-day work keeps us so busy we might not have the chance to supply basic education to organizational leaders, members of our department, physicians and staff about exactly what risk management is. Reinforcing these principles can help demonstrate how a strong risk management program supports achievement of the organization's mission and vision.

2.1.2 Risk Management Process

The risk management process is a framework for the actions that need to be taken. There are five basic steps that are taken to manage risk; these steps are referred to as the risk management process. It begins with identifying risks, goes on to analyze risks, then the risk is prioritized, a solution is implemented, and finally, the risk is monitored. In manual systems, each step involves a lot of documentation and administration as identified by (Thomas,2020).

Step 1: Identify the Risk:

The first step is to identify the risks that the business is exposed to in its operating environment. There are many different types of risks – legal risks, environmental risks, market risks, regulatory risks, and much more. It is important to identify as many of these risk factors as possible. In a manual environment, these risks are noted down manually. If the organization has a risk management solution employed all this information is inserted directly into the system.

Step 2: Analyze the Risk:

Once a risk has been identified it needs to be analyzed. The scope of the risk must be determined. It is also important to understand the link between the risk and different factors within the organization. To determine the severity and seriousness of the risk it is necessary to see how many business functions the risk affects. There are risks that can bring the whole business to a standstill if actualized, while there are risks that will only be minor inconveniences in the analysis. In a manual risk management environment, this analysis must be done manually. When a risk management solution is implemented one of the most important basic steps is to map risks to different documents, policies, procedures, and business processes. This means that the system will already have a mapped risk framework that will evaluate risks and let you know the far-reaching effects of each risk.

Step 3: Evaluate or Rank the Risk:

Risks need to be ranked and prioritized. Most risk management solutions have different categories of risks, depending on the severity of the risk. A risk that may cause some inconvenience is rated lowly, risks that can result in catastrophic loss are rated the highest. It is important to rank risks because it allows the organization to gain a holistic view of the risk exposure of the whole organization. The business may be vulnerable to several low-level risks, but it may not require upper management intervention. On the other hand, just one of the highest-rated risks is enough to require immediate intervention.

Step 4: Treat the Risk:

Every risk needs to be eliminated or contained as much as possible. This is done by connecting with the experts of the field to which the risk belongs. In a manual environment, this entails contacting each and every stakeholder and then setting up meetings so everyone can talk and discuss the issues. The problem is that the discussion is broken into many different email threads, across different documents and spreadsheets, and many different phone calls. In a risk management solution, all the relevant stakeholders can be sent notifications from within the system. The discussion regarding the risk and its possible solution can take place from within the system. Upper management can also keep a close eye on the solutions being suggested and the progress being made within the system. Instead of everyone contacting each other to get updates, everyone can get updates directly from within the risk management solution.

Step 5: Monitor and Review the Risk:

Not all risks can be eliminated – some risks are always present. Market risks and environmental risks are just two examples of risks that always need to be monitored. Under manual systems monitoring happens through diligent employees. These professionals must make sure that they keep a close watch on all risk factors. Under a digital environment, the risk management system monitors the entire risk framework of the organization. If any factor or risk changes, it is immediately visible to everyone. Computers are also much better at continuously monitoring risks than people. Monitoring risks also allows your business to ensure continuity.

When looking to perform an actual risk assessment, the following target areas should be an element of the final risk management procedure: (M.Crouhy,D.Galai ,2000). The process should create value.

- It should be an integral a component of the organizational process.
- It should factor into the upper knowledge process.
- It must explicitly address uncertainty.
- It should be systematic and structured.
- It should be supported the foremost effective available information.
- It should be tailored to the project.
- It must take into consideration human factors.
- It should be transparent and all-inclusive.
- It should be dynamic and adaptable to vary.
- It should be continuously monitored and improved upon because the project moves forward.

2.1.3 Dealing with Risk

There are really certain techniques to be aware of pertaining to risk. Being aware of what the risks are will dictate how operative each of the individual risk management options might be: (M.Crouhy,D.Galai ,2000)

Avoid the Risk	Reduce the Risk	Retain the Risk	Share the Risk If
This may seem obvious, but it is an actual technique. There are instances where a perceived risk can be avoided entirely if certain steps are taken. An example of this might be a concern over a vendor supplying a given deliverable at a specific timeframe. It may be decided to perform the actual work for the deliverable in-house thereby eliminating the risk of the external vendor.	Fine tuning features of the overall project plan or making modifications to specific areas of scope. Whatever the case, reducing a risk reduces the impact it will have on project.	Once all options are failed, the team members, sponsor and project manager may just resolve the retain risk and accept the downside potential as is. This decision is usually made by first determining the upside possible of the project. If it is deemed that the project's expected upside far outweighs the sunk cost and downside, than the risk itself may be worth it.	Phases can be taken to share the risk in some way. Perhaps a joint venture with a third-party will diminish the downside risk for the organization as a whole. This could reduce the sunk cost and potential losses of the project if sharing of risk results in it being spread out over several diverse individuals or groups.

2.1.2 Risk management in healthcare

Risk management in healthcare encompasses the clinical and administrative systems, processes, and reports employed to detect, monitor, assess, mitigate, and forestall risks. By employing risk management, healthcare organizations proactively and systematically safeguard patient safety further because the organization's assets, market share, accreditation, reimbursement levels, brand value, and community standing. (N.Catalyst, 2018).

As healthcare risk management sequencers still progress into an enterprise risk model, these basic principles still apply. Integrating each of the five elements into the decision-making process to manage uncertainty within the organization while adding value and exploiting opportunity to satisfy the mission and vision will still make sure the backbone of the chance management program remains intact (Ann D. Gaffey, 2015).
Risk management in healthcare is theoretically more important than in the other industry. In most industries, a company develops and implements risk management strategies to forestall and mitigate financial losses. the identical may be said for healthcare but with reference to patient safety instead of financial safety. Risk management during this industry can mean the difference between life and death, which makes the stakes significantly higher.

Developing countries have achieved remarkable reductions in morbidity and mortality over the past thirty years. But continuing gains depend largely on the capacity of health systems to deliver basic varieties of services and knowledge to house-holds that are often dispersed and poor. At the identical time, rising incomes, aging populations, and urbanization are increasing the demand for the traditional services of hospitals and physicians. (J. Guarracino ,2014).

healthcare moves far from a fee-for-service payment environment to at least one that encourages reimbursement for quality and value, chief financial officers face a damning reality. this sort of seismic shift naturally exposes any organization to increased risks. For hospitals and health systems, how will they be ready to offer high-quality care with fewer dollars? How can they create investments for the long run with restrained capital? How can they maintain a diligent, hardworking staff as expenses rise?. (J. Guarracino ,2014).

2.1.2.1 Determination of Risk Management in Healthcare system:

Deployment of healthcare risk management has traditionally focused on the important role of patient safety and thus the reduction of medical errors that jeopardize an organization's ability to appreciate its mission and protect against financial liability. But with the expanding role of healthcare technologies, increased cyber security concerns, the fast pace of natural science, and also the industry's ever-changing regulatory, legal, political, and reimbursement climate, healthcare risk management has become more complex over time (Ann D. Gaffey, 2015).

Moreover, with the value-based care movement and today's risk-bearing models like bundled payments and CMS's get performance programs, financial risk is increasingly shifting from payers to providers and requires a broader view of risk management. Hospitals and other healthcare systems are expanding their risk management programs from ones that are primarily reactive and promote patient safety and forestall legal exposure, to ones that are increasingly proactive and appearance in danger through the much broader lens of the entire healthcare ecosystem.

While members of the industry understand the importance of expanding risk management in healthcare beyond patient safety and medical liability, the transition has been slow. in keeping with the Healthcare Financial Management Association (HFMA), "Despite the growing importance of programs today, and also the raised awareness of their importance, many healthcare providers are slow to adopt a more sophisticated approach. .. this state for several providers falls between 'basic' and 'evolving' maturities for ERM programs."

2.1.2.2 Development of Risk Management in Healthcare System

To expand the role of risk management across the organization, hospitals and other healthcare facilities are adopting a more holistic approach called Enterprise Risk Management. ERM includes traditional aspects of risk management including patient safety and medical liability and expands them with a "big picture" approach to risk across the organization as strategic risk , Operational Clinical & Patient Safety, Financial risk, Environmental- and Infrastructure-Based Hazards risk, Regulatory & legal risk, Technological risk, and Human Capital risk. .(Dan MOSKOWITZ , 2020)

2.1.2.3 The Importance of managing the prospect in Health Care system

In health care, risk management in health care can mean the difference between life and death, which makes the stakes significantly higher. While the underside line is extremely important, the health care industry's main priority is and can be saving and protecting lives. The key factor to success managing the danger in Health Care system might be a centralized reporting system. In health care, risks can range from—but aren't limited to—faulty equipment and other hazards, medical malpractice, and procedures. Managing these and other risks is pivotal within the health care industry to remain people safe and secure, and to remain costs down. Once risk management strategies are put into place, hospitals, long-term care facilities, and other health care organizations can minimize the potential for loss.(Dan MOSKOWITZ , 2020)

A risk manager is sometimes someone who has experience in handling risk-related issues in multiple settings. This individual should be able to identify and evaluate risks, which should then reduce the potential for injury to patients, staff members, and visitors. This professional should also analyze the prospect management strategies that are already in place. If certain strategies are used for specific medical conditions and are believed to guide to dangerous side effects, those strategies must be altered. That being said, all employees should recognize anything which will present increased risk as not filling expired prescriptions to forestall abuse, following fait missing test results to increase consultations, Preventing falls and immobility, tracking missed appointments to manage risks, increasing communication with patients to cut back improper taking of medication. (Dan MOSKOWITZ , 2020)

The risk ladder is additionally called prioritization. First, a health care organization must establish what could happen, how likely something is to happen, and also the severity of that problem. From there, it must be determined how that organization can mitigate those risks and limit their impact, and what the potential exposure of those risks would be if they weren't contained. As you'll notice, the first priority is commonly the protection of everyone involved when it involves health care risk management—not finances. That's to not say that finances don't and will not matter. A facility and risk manager's main concern should be

keeping people safe. After all, a scarcity of safety may end up in injury and even death which, in turn, may lead to lawsuits and indemnity. (Ann D. Gaffey, 2015)

2.1.3 Financial Risk Management

2.1.3.1 Introduction

Financial risk is that the risk that a corporation won't be able to meet its obligations to pay back its debts. Which successively could mean that potential investors will lose the money invested within the company. The more debt a corporation has, the upper the potential financial risk.

Financial risk is upside and down side aspect to cost risks, but credit risk is downside only. Financial risk management has been defined by the Basel committee (2001)" as a sequences of 4 process:

1) The identification of events into one or more broad categories of market, credit, operational and other risks and into specific sub categories,
2) The assessment of risks using data and a risk model.
3) The monitoring .
4) Reporting of the chance assessments on a timely basis and also the control of those risks by senior management."

Financial risk management may be a process to cater to the uncertainties resulting from financial markets. It involves assessing the financial risks facing a company and developing management strategies in line with internal priorities and policies. Addressing financial risks proactively may provide a company with a competitive advantage. It also ensures that management, operational staff, stakeholders, and also the board of directors are in agreement on key problems with risk. (K. Horcher,2005)

The model and practice of monetary risk management has its origins within the wider and older field of risk management during a general context. This wider field of risk management is typically termed 'decision analyses and forms a sub-discipline of statistics, research and economics.

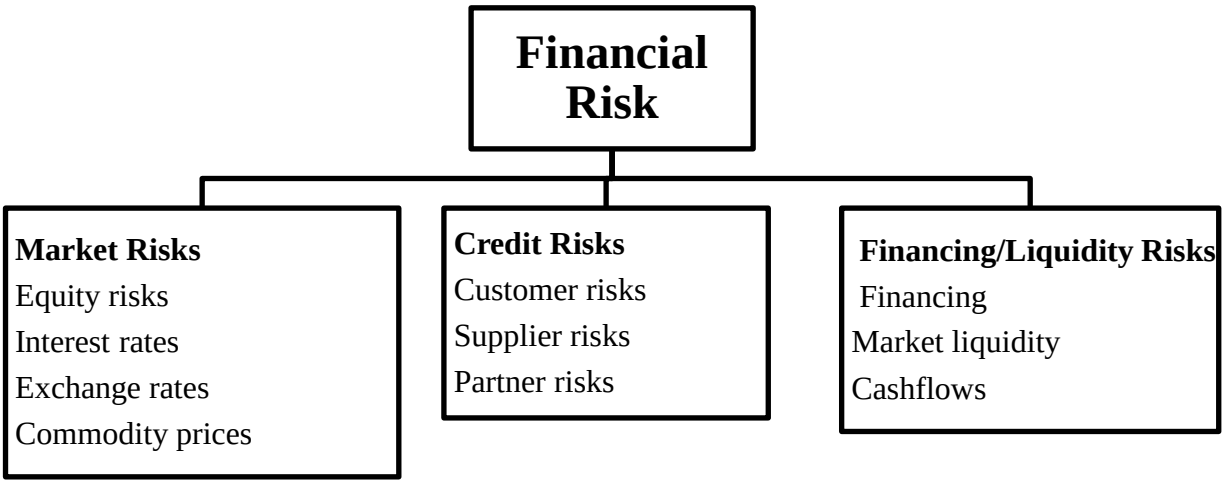

Figure (1): Categories of Financial Risk Summarized by researcher

- *Market risks:* These are the financial risks that arise because of possible losses due to changes in future market prices or rates. the value changes will often relate to interest or interchange rate movements, but also include the worth of basic commodities that are vital to the business. (K.Horcher,2005)
- *Credit risks:* Financial risks associated with the prospect of default by a counter-party. Credit risks typically arise because customers fail to shop for goods supplied on credit. Credit risk exposure increases substantially when a firm depends heavily upon tiny low number of giant customers who are granted access to a significant amount of credit. the importance of credit risk varies between sectors, and is high within the realm of monetary services, where short- and long-term lending are fundamental to the business. (K.Horcher,2005)
- *Financing, liquidity and income risks:* Financing risks affect an organization's ability to induce ongoing financing. a transparent example is that the dependence of a firm on its access to credit from its bank. Liquidity risk refers to uncertainty regarding the flexibleness of a firm to unwind a foothold at little or no cost, and also relates to the supply of sufficient funds to satisfy financial commitments after they

fall due. income risks relate to the volatility of the firm's day-to-day operating income. (K.Horcher,2005)

2.1.3 .2 Why Manage Financial Risks?

Managing financial risk necessitates making organizational decisions about risks that are acceptable versus people who don't seem to be. The passive strategy of taking no action is that the acceptance of all risks by default. Organizations manage financial risk employing a style of strategies and products. it's important to know how these products and methods work to cut back risk within the context of the organization's risk tolerance and objectives. (K.Horcher,2005)

Firms can have the benefit of financial risk management in many various ways, but perhaps the foremost important benefit is to shield the firm's ability to attend to its core business and achieve its strategic objectives. By making stakeholders safer, an honest risk management policy helps encourage equity investors, creditors, managers.

This leads to a extensive variety of secondary benefits:

- The firm's reputation or 'brand' is enhanced, because the firm is seen as successful and its management is viewed as both competent and credible.
- Risk management can reduce earnings volatility, which helps to form financial statements and dividend announcements more relevant and reliable.
- Greater earnings stability also tends to scale back average tax liabilities.
- Risk management can protect a firm's cash flows.
- Some commentators suggest that risk management may reduce the price of capital, therefore raising the potential quantity added for a business.
- The firm is best placed to use opportunities (such as opportunities to invest) through an improved credit rating and safer access to financing.
- The firm is in a very stronger position to pander to merger and acquisitions issues. it's also during a stronger position to require over other firms and to fight down takeover bids.
- The firm includes a better managed supply chain, and a more stable customer base.

These benefits show that it's difficult to separate the results of monetary risk management from the broader activities of the business. it's therefore important to confirm that each

one parties within the organization recognize and understand how they may create or control financial risks. for instance, staff within the marketing department could be trained on the way to reduce financial risks through their approach to pricing and customer vetting. Similarly, buying policies can create financial risks by, for instance, creating an exposure to rate movements. Consequently, it's important to ascertain an integrated framework for managing all financial risks (K.Horcher,2005)

2.1.4 Secondary Health Care in Palestine (Hospitals)

Ministry of Health is taken into account the most provider of secondary health care services (hospitals) in Palestine. Where it owns and operates 3,462 beds in 27 hospitals all told governorates from 82 hospitals working in Palestine with 6,440 beds. 52 of the overall hospitals are in geographical region including East Jerusalem with a complete bed capacity of three,897 beds which 60.5% from the entire beds in Palestine, while the remainder are in geographical area. In Palestine, Non-Governmental Organizations have 35 hospitals with a capacity of two,141 beds and therefore the private sector has 17 hospitals with a capacity of 631 beds. UNRWA has one hospital in Qalqiliya with the capacity of 63 beds. Military medical services have two hospitals in geographic area with capacity of 143 beds. The hospital beds of Ministry of Health cover the majority specialties, including general surgery services and subspecialties, medicine, pediatrics, psychiatric and other specialties. Rehabilitation and physiotherapy services are offered by non-governmental organizations. MoH hospitals also provide services to patients through outpatient clinics, emergency departments and hemodialysis units. There are 11 kidney dialysis units in hospitals of the Ministry of Health in geographical region, additionally to at least one unit in An -Najah National University hospital in Nablus and five units in geographic region, with a complete of 365 machines. In 2018, a complete of 277,102 hemodialysis sessions passed in Palestine. Diagnostic radiological and laboratory services are provided in MoH hospitals, with a complete of 1,418,216 Medical graphics conducted in MoH hospitals in Palestine in 2018. (B.Falah,J.Meshal ,2020) .

2.1.4.1 Classification of Hospitals by Specialty

1. General Hospitals These hospitals provide secondary health care services to their geographic region. a number of these hospitals have sufficient capacity to produce secondary health care and a few tertiary health care. In 2018, there have been 55.8% of the geographical area hospitals.
2. Specialized Hospitals These hospitals provide specialized, advanced and comprehensive services in secondary and tertiary care. In 2018, there have been 19.2% of hospitals in geographic region.
3. Maternity Hospitals These hospitals provide services within the field of obstetrics and gynecology. In 2018, there have been 19.2% of hospitals in geographic area.
4. Rehabilitation & Physiotherapy Centers Medical centers offering rehabilitation and physiotherapy services. In 2018, there were 5.8% of hospitals in geographical region. (B.Falah,J.Meshal ,2020)

Health Insurance in West Bank In 2018, there have been 309,499 families participating in insurance in West Bank. Insurance revenues in geographical region were 238,641,216 NIS, and 18,861 families had free insurance. The revenues of symbolic contributions in some services (medicines, radiology and laboratory) amounted to 58,634,538 NIS. the very best number of insured families was in Hebron governorate with 75,911 families, followed by Nablus governorate with 43,154 families. the bottom number of insured families in Jericho and Al-Aghwar governorate reached 7,018 families. (B.Falah,J.Meshal ,2020)

2.1.4.2 Types of insurance

1. Compulsory Insurance this kind of insurance is shared by public sector employees, municipalities and retirees. the amount of families participating during this insurance was 73,278 in geographic region. The return on this insurance was 63,114,786 NIS.

2. Voluntary Insurance the quantity of families participating during this insurance was 2,550 in geographic area, and therefore the return on this insurance was 1,458,610 NIS.

3. Insurance of workers within the border (Workers in Israel) the amount of families cashing in on this insurance was 59,203 families in geographic area, and also the return of this insurance was 79,188,663 NIS.

4. insurance (Group Contracts) the quantity of families participating during this insurance was 88,455 families in West Bank, and therefore the cash yield from this insurance was 56,714,957 NIS.

5. Insurance of Social Development the amount of families participating during this insurance was 46,057 in West Bank, and therefore the return on this insurance was 26,477,150 NIS.

6. Prisoners Insurance the quantity of insured prisoners and their families during this insurance was 21,095 in West Bank, and therefore the return of this insurance was 11,687,050 NIS.

7. Free Insurance the quantity of free insured and their families during this insurance was 18,861 in geographical region. (B.Falah,J.Meshal ,2020)

2.1.5 Budget deficit

The fiscal deficit is that the difference between total income and total spending of a government during a certain year. However, the web borrowings are excluded from total income in fiscal deficit calculation (Gupta, 2007:292). Maltritz & Wüste (2015: 222) remarks excessive fiscal deficits are the most reason for the ecru crises and future handling of the deficits has the nice effect on economic and political integration of Europe.

Another popular term representing budget measurement is ‘sustainability gap'. it's a long-term difference between government income and spending, thus, it's an aggregate accumulation of re-occurring deficit or surplus over the years. Sustainability gap assessments guide how the central government of the country should consolidate its finances over coming few years to confirm the sustainable balance publically finances. Generally, the sustainability gap is calculated for the upcoming four years . However, the sustainability gap calculation isn't a possible future scenario, it's just a prediction. (Economics Department, 2018: 1).

Government deficit and Government debt are two different terms publicly economics and practically both have different implications. Government debt means the full amount of cash that the govt. owed to its creditors. it's the whole accumulated government deficit of the many of various years. Whereas deficit is that the calculation of 1 certain duration or of 1 year and also the deficit is said with what government receives and spend. However, there's a right away relation between debt and deficit. If the govt. runs the country

in deficit, then it's going to add a pile in debt. Thus, the debt is accumulated because of the unpaid deficit over time.

The development of the Palestinian health sector and the provision of comprehensive medical services led the Palestinian Ministry of Health to reduce transfers and purchase of services from outside the Palestinian health from Israel, Jordan and Egypt to support the government health sector and save the high costs. Incomplete services in the governmental sector, human competencies, technology in medical devices, individual's perception of the governmental sector and their satisfaction with the performance of services Expenditure on health sector in Palestine reached about 11% of GDP in 2015.This value exceeds the average of the Middle East and North Africa countries 2.6% of the total GDP of these countries. Considering the per capita share of health expenditure in Palestine, which is worth $ 271.2, the health care received by the Palestinian citizen is low, but it is close to neighboring Arab countries such as Jordan ($ 358.9) and Races ($ 292), with Qatar was at the top of the pyramid (2,106.4) (M.Afaneh,2018)

In 2018, there were 82 hospitals operating in Palestine, 52 of which were operating in the West Bank, including East Jerusalem, and constituted 63% of all hospitals operating in Palestine.The total number of hospital beds (including psychiatric and neurological hospitals) is 6,440, with an average of 7,545 persons per bed; including East Jerusalem hospital beds, 760 persons per bed in the Gaza Strip and 750 people per bed in the West Bank. (M.Afaneh,2018)

Most budgets allocated to the health system go to the operational aspects at the expense of the investment aspects, and the investment side is limited to aid from donors of a short-term nature.

The budget of the Ministry of Health in Palestine in 2018 is (787,683,000) NIS; 11% of the general budget, and the actual expenditure achieved is in line with the allocated budget, In the allocated development budget that has increased over the years 2016-2018 Good and statistically significant, However, health coverage is needed, according to the World Health Organization (WHO) standards, there is still a need for more budgets allocated to the Ministry of Health 2017-2022. .(M.Afaneh,2018)

According to the World Health Organization (WHO) standards, more budgets allocated to the Ministry of Health are still required, and the budget of the Ministry of Health suffers from challenges; There is a funding gap between the financial ceilings allocated to the Ministry of Health by the Ministry of Finance and Planning, or the actual needs according

to the plan this gap reached in 2018 (388) NIS million, In the current and development expenditure, the financial gap reaches NIS 492 million in Year 2022. One of the challenges facing the Ministry of Health's budget is the rise in the bill for medical transfers ("purchase of service"). In 2018, it allocated NIS 450 million from the public treasury. .(M.Afaneh,2018)

Figure (2): Budget of the Ministry of Health and its percentage of total expenditures for the years 2016-2017-2018 (NIS)

Year	Ministry of Health budget	Total expenditure	Percentage
2016	1,699,332,000	14,762,121,000	11.51%
2017	1,734,572,000	16,290,604,000	10.65%
2018	1,787,683,000	16,559,061,000	10.80%

(MOH general budget, 2018).

Research conducted that one third of small firms that have missed a payment deadline, have subsequently had suppliers withhold goods or services**.** Additionally, 28% have had their relationship with suppliers tested because of cash flow issues, while 35% have had to cough up additional late payment fees for missing deadlines. This shows the implications of not being able to control the flow of money within a business and the dangers of business failure due to late payments. Additionally, having certainty in cash flow can mean greater overall certainty in business, providing for example the confidence to make purchases quickly without having to wait.(M.Afaneh,2018)

Late payments can lead to enormous amounts of resources being eaten up to pursue debts, both financially and in terms of time consumed by credit controllers.

Late payment could affect the expenses companies usually have such as staff salaries, supplies, rent and expenses for operations. Cash flow is very important, especially when coming up to hard months where cash is tight or when a crisis happens. Having late payments could leave you dipping into your reserves instead of using them to invest in business growth.

2.1.6 Al-Makassed Islamic Charitable Society Hospital

was established in East Jerusalem in 1968, Al-Makassed hospital is one of the foremost important and leading medical hospitals in Palestine, consists of 270 beds. The mission of the Hospital is to deliver the chief possible level of medical services, moreover to encourage scientific and medical research programs ,it's an academic hospital for training of nursing students and residency for doctors, so as to realize the certificates of both the Jordanian and Palestinian medical boards and to coach medical students belonging to the varsity of drugs at the University of Jerusalem. The Hospital may be a referral hospital, receiving patients from everywhere Palestine – the geographical area and also the geographical area. AlMakassed hospital for the treatment of normal or complex cases AMICSH currently contains a staff of 750 employees, which has 48 specialized doctors and consultants, 74 residents working within the educational program sponsored by the Hospital, 3 emergency doctors, around 500 nurses, 77 technicians, 164 administrators and 40 hired employees.

The 4 main objective of the Hospital is to produce medical services to any or all Palestinians within the geographical area, geographical region and East Jerusalem, no matter gender, color, race, and non-secular, political or social affiliations and beliefs, and freed from charge . The hospital located at mount olive at East Jerusalem, it's to the East of Al-Aqsa Mosque.(www.almaqassed.org ,2020).

AlMakassed hospital provides a variety of specialties including:

1. Cardiology and cardiac catheterization, Endocrinology, Pulmonology, Neurology, Nephrology and Rheumatic Diseases.
2. Orthopedics, Neurosurgery, Adult and Pediatric Open surgical process, Vascular and Thoracic Surgery.
3. Obstetrics & Gynecology, Fetal medicine, Neonatology and Pediatrics.
4. Radiology services: resonance Imaging (MRI), computerized tomography (CT), CT Angiography and Ultrasound
5. Emergency, Out-patients clinics, and most of blood tests.

In addition, AMICSH also is a main teaching/training hospital in association with Al-Quds University and Palestinian, Jordanian and Arab Medical Councils and provides research facilities (www.almaqassed.org ,2020).

2.2 Previous studies

When considering the financial health of hospital facilities, varying financial indicators measuring profitability, liquidity, and solvency represent significant markers of financial health; however, discerning financial health is complicated among hospitals and it is difficult to rank the numerous indicators by importance or predictive power. Additionally, individual indicators do not necessarily capture all aspects of hospital financial health, and their order of importance is unclear since varying studies cite different measures as being the most effective indication of impending fiscal problems. (Brecher C, Nesbitt S ,2018)

1) Study by (A. Jaber,2020) Entitled "The Impact of Risk Management Practices on the Organizational Performance: Field Study at Jordanian Insurance Companies", That aimed to study the impact of risk management practices on the organizational performance in insurance companies in the Hashemite Kingdom of Jordan.

Data were collected from 120 managers who work in Jordanian insurance companies by the questionnaire.

In this study, several businesses adopted five risk management performs. The researcher has found that risk mitigation is the most significant impact on higher

performance with a unit increase (Beta) in risk identification leading to a 0.503 increase in performance. This was followed closely by risk identification whose unit increase led to an increase of 0.461 in performance. A unit increase in risk assessment led to an increase of 0.456 in performance, then risk monitoring which led to 0.386 increase and with risk management implementation having the least influence on the companies' performance, at 0.330 increases in performance. Overall, the results of this study show that the use of risk management practices has a significant positive impact on the organizational performance of Jordanian insurance companies. This means that better business risk management can improve performance.

The study also decided that identifying and mitigating risk plays the most important role in influencing insurers' performance. Therefore, risk identification is a major starting point in the risk management process where companies cannot manage unknown risks. On the other

hand, once the risks are recognized, they essential to be mitigated based on earlier and ongoing research to reduce the impact on the enterprise. However, survey results also show that these five risk management practices are very important to impact organizational performance. Therefore, the study concludes that insurers need to adopt a multi-faceted approach to address the impact. Risk management efforts include all the practices that this research focuses on to make the most of the risk management practices impact the organizational performance positively.

2) Study by (American Hospital Association,2020), Entitled "Hospitals and Health Systems Face Unprecedented Financial Pressures Due to COVID-19",

America's hospitals and health systems have stepped up in heroic and unprecedented ways to meet the challenges of COVID-19, which have created historic financial pressures for America's hospitals and health systems. Hospitals have cancelled non-emergency procedures, and several Americans are postponing care as they shelter in place to stop the spread of the virus. Treatment for COVID-19 has created incredible demand for certain medical equipment and supplies as the virus has disrupted supply chains, increasing the costs that hospitals face to treat COVID-19 patients. At the same time, COVID-19 has led to unprecedented job losses, giving way to a rise in the number of uninsured. And while doctors, nurses, and other health care workers have met the COVID-19 challenge with heroic efforts, numerous hospitals and health systems, especially those located in hotspot areas of the pandemic, are supporting them by providing essentials like child care, transportation, and in some cases, housing.

Hospitals and health systems face catastrophic financial challenges in light of the COVID-19 pandemic. The American Hospital Association (AHA) undertook four analyses to better understand and quantify these financial challenges. Including:

• The consequence of COVID-19 hospitalizations on hospital costs.

• The consequence of cancelled and forgone services, caused by COVID-19, on hospital revenue.

• The additional costs associated with purchasing needed personal protective equipment (PPE).

• The costs of the additional support some hospitals are providing to their workers.

This report attempts to quantify these effects over the short-term, which are limited to the impacts over a four-month period from March 1, 2020 to June 30, 2020. Based on these

analyses, the AHA estimates a total four-month financial impact of $202.6 billion in losses for America's hospitals and health systems, or an average of $50.7 billion per month.

3) Study by (D. AkinleyeI, L. McNuttI,V. Lazariu, C.McLaughlin, 2019) Entitled "Correlation between hospital finances and quality and safety of patient care"

That aimed to produce robust measures of both financial status and quality/safety of care, to assess their a priori hypothesis: hospital financial performance is associated with the provision of quality care, as measured by quality and safety processes, patient outcomes, and patient centered care, by employing principal component analysis.

This 2014 cross-sectional study examined hospital financial condition and hospital quality and safety at acute care hospitals. The hospital financial data from the Centers for Medicare and Medicaid Services (CMS) cost report were used to develop a composite financial performance score using principal component analysis. Quality and patient safety were measured with a composite quality/safety presentation score derived from principal component analysis, utilizing a range of recognized quality and safety indicators with: risk standardized inpatient mortality, 30-day mortality, 30-day readmissions for choice conditions, patient safety indicators from inpatient admissions, process of care chart reviews, CMS value-based purchasing total performance score and patient experience of care surveys. The correlation between the composite financial performance score and the compound quality/safety performance score was calculated using linear regression adjusting for hospital characteristics.

The outcome of the study concise that Strong financial performance is associated with improved patient reported experience of care, the strongest module distinguishing quality and safety. Their results offer that financially stable hospitals are better able to maintain highly reliable systems and provide ongoing resources for quality improvement.

4) Study by (M. Pakdaman ,2019) Entitled "The effect of macroeconomic indicators on health-care expenditure in Iran" , That aimed to determine the effect of macroeconomic indicators on health expenditure. A sharp increase in expenditure is one of the challenges of the health system in Iran. Every macroeconomic variable affects health, and if it is disregarded, it will lead to higher macro budgets. Physical and mental health as well as the use of health services change according to the macroeconomic conditions and business cycles (boom and recession).

Study was descriptive analytical The required data related to macroeconomic

indicators and health expenditure in public and private sectors were collected during 1995–2014. The data were analyzed using the time series models in econometrics, Vector Auto Regression, and Granger causality technique.

The results of this study indicated that health expenditure has a positive bilateral association with gross domestic production (GDP), gross national production, national income, and national consumption. On the contrary, expenditure has a negative bilateral relationship with liquidity rate and inflation rate. In addition, budget deficit has a negative unilateral relationship with health expenditure while population rate has a positive unilateral relationship with health expenditure.

5) Study by (Xianjing Qin, Hongye Luo, Jun Feng, Yanning Li, Bo Wei, Qiming Feng, 2017) Entitled "Equity in health financing of Guangxi after China's universal health coverage: evidence based on health expenditure comparison in rural Guangxi Zhuang autonomous region from 2009 to 2013" that aimed to evaluate the health care financing equity after NCMS implemented, to figure out whether the NCMS relieve peasants of financial load of health care by falling out-of-pocket expenditures and narrow the hole between the rich and poor. Data collected by questionnaire designed according to the purpose of investigating the progressivity of the health funding system and impoverishment due to medical expenses. Socio-economic characteristics and healthcare expense data were got from two rounds of household surveys conducted in 2009 (4634 respondents) and 2013 (3951 respondents). The contributions of funding foundations were determined and a progressivity analysis of government healthcare subsidies was performed. Household consumption expenditure and total healthcare payments were calculated and incidence and intensity of catastrophic health payments were measured. Summary indices (concentration index, Kakwani index and Gini coefficient) were obtained for the sources of healthcare financing: indirect taxes, out of pocket payments, and social insurance contributions.

The results demonstrate that there is a significant potential to improve the financial protection of rural Guangxi population, the dropping down of catastrophic health payments headcounts and the share of OOP in total payment provides evidence to the effectiveness of financial risk pooling intervention by NCMS, and this approach indeed help reduced the financial barriers to health care services.

6) Study by (Owolabi ,2017) Entitled: "The Impact of Risk Management on The Profitability of Insurance Companies in Nigeria". Sought to assess the impact of risk management on the profitability of insurance companies. The specific goal of the survey is to investigate how insurance companies adopt risk management practices, "to investigate the impact of risk management on the profitability of insurance companies." In this study, a descriptive research plan was adopted. A total of 60 respondents selected using simple random sampling techniques participated in the survey. The null hypothesis was tested in a statistical analysis system (SAS 9.2) using simple linear regression and Pearson compact coefficients. The results show that financial risk management practices can affect the profitability of insurance companies. The study shows that operational risk management practices have a positive impact on the profitability of insurance companies. The study also found an important link between strategic risk management practices and the profitability of insurance companies. The study recommended that insurance managers easily identify risks and develop smart procedures to mitigate risks and ensure that financial performance is not adversely affected.

7) Study by (S.Wanjohi, J.Wanjohi, James. Ndambiri,2017) Entitled "The Effect of Financial Risk Management on the Financial Performance of Commercial Banks in Kenya", The purpose of this study was to analyze the effect of financial risk management on the financial performance of commercial banks in Kenya. In achieving this objective, the study assessed the current risk management practices of the commercial banks and linked them with the banks' financial performance.

The study used multiple regression analysis in the analysis of data and the findings were presented in the form of tables and regression equations.

The outcomes show that Kenyan banks are perceived to use less technically advanced risk measurement techniques of which the most commonly used are credit ratings, gap analysis, duration analysis, maturity matching, estimates of worst case scenarios/stress testing and earnings at risk.

The study established that financial risk management had a strong impact on the financial performance of commercial banks in Kenya. The study also established that the risk measurement practice had the biggest impact on financial performance followed by risk mitigation practice. Thus, as each shilling invested in risk measurement techniques and risk mitigation techniques increases revenues generation and the financial performance of banks increases.

8)Study by (O.Nguyen , E.Halm , A.Makam,2016) Entitled "Relationship between hospital financial performance and publicly reported outcomes" that aimed to assess the relationship between hospital financial performance and publicly reported outcomes of care, and to assess whether developed outcome metrics affect subsequent hospital financial performance.The design of the study was Observational cohort, Hospital financial data from the Office of Statewide Health Planning and Development in California in 2008 and 2012 were linked to data from the Centers for Medicare and Medicaid Services Hospital Compare website.Hospital financial performance was measured by net revenue by operations, operating margin, and total margin. Outcomes were 30-day risk-standardized mortality and readmission rates for acute myocardial infarction (AMI), congestive heart failure (CHF), and pneumonia (PNA). Among 279 hospitals, there was no consistent relationship between measures of financial performance in 2008 and publicly reported outcomes from 2008 to 2011 for AMI and PNA. However, improved hospital financial performance (by any of the 3 measures) was associated with a modest increase in CHF mortality rates (ie, 0.26% increase in CHF mortality rate for every 10% increase in operating margin [95% confidence interval: 0.07%-0.45%]). Conversely, there were no significant associations between outcomes from 2008 to 2011 and subsequent financial performance in 2012 ($P > 0.05$ for all).Finally, they decided that robust financial performance is not associated with improved publicly reported outcomes for AMI, CHF, and PNA. Financial motivations in addition to public reporting, such as readmissions penalties, may help motivate hospitals with robust financial performance to further progress publicly reported outcomes. Reassuringly, improved mortality and readmission rates do not necessarily lead to loss of revenue.

9) Study by (G. Dong,2015) Entitled "Performing well in financial management and quality of care: evidence from hospital process measures for treatment of cardiovascular disease". That aimed to determine whether the process measures of treatment quality are associated with hospital financial performance.

Panel study of hospital care quality and financial condition between 2005 and 2010 for cardiovascular disease treatment at acute care hospitals in the United States. Process measures for condition-specific treatment of heart attack and heart failure and hospital-level financial condition ratios were collected from the CMS databases of Hospital Compare and Cost Reports.

They found that There is a statistically significant relationship between hospital financial performance and quality of care. Hospital profitability, financial leverage, asset liquidity,

operating efficiency, and costs appear to be important factors of health care quality. In general, public hospitals provide lower quality care than their nonprofit counterparts, and urban hospitals report better quality score than those located in rural areas. Specifically, the first-difference regression consequences indicate that the quality of treatment for cardiovascular patients rises in the year following an increase in hospital profitability, financial leverage, and labor costs. The results suggest that, when a hospital made more profit, had the capacity to finance investment using debt, paid higher wages presumably to attract more skilled nurses, its quality of care would generally improve. While the pursuit of profit induces hospitals to enhance both quantity and quality of services they offer, the lack of financial strength may result in a lower standard of health care services, implying the importance of monitoring the quality of care among those hospitals with poor financial health.

10) Study by (S.Upadhyay, M.Sen, and D.Smith,2015) Entitled "the **cash conversion cycle and profitability: A study of hospitals in the state of Washington"** that aimed to study the relationship between the cash conversion cycle and hospital profitability**.** Hospitals may manage working capital with a focus on profitability and/or liquidity. For inventories, a focus on short-run profitability may imply that stocks should be high so that no patients are turned away due to reasons of insufficient medications or supplies. With a focus on liquidity, hospitals may try to keep inventory levels low so that it doesn't tie up much cash. With account receivables, a focus on profitability may imply that hospitals offer lenient credit terms to encourage patient volume. With liquidity in mind, it may offer strict credit terms so that they get paid sooner. With account payables, a focus on profitability may imply that hospitals pay accounts promptly if they get discounts for doing so, whereas with liquidity

in mind, they may delay payments for as long as possible. Without information on the relative benefits of a focus on profitability or liquidity, the association between cash conversion and operating profits is unclear.

Panel data at the hospital level is used for this study. It is based on the financial information provided by Department of Health, State of Washington, Data from 98 hospitals are available for a period of 10 years, 2002 to 2011. Selected data elements were missing from 20 hospital-year observations. Since data were found to be missing at random, no attempt was made to

either remove hospitals' other observations or fill-in missing values, leaving a sample of 960 hospital-year observations.

This study affords evidence on how the overall cash conversion cycle and days inventory can have an impact on the profitability of hospitals. A shorter cash conversion cycle and lower days' inventory would mean higher profit margins for hospitals. Having a shorter length of cash conversion cycle means that the time lag between the expenditure for purchase of medical inventory and services provided to patients and the collection of revenues from those services has reduced. It also means that the working capital is being managed more effectively. Since healthcare is a non-manufacturing industry, many analyses ignore the loud cost of holding inventory as a component of the cash conversion cycle. As recognized in this study, days in inventory can have a significant impact on the operating margin.

11)Study by (M. Mansour,2015) Entitled "Developing risk management model for the Palestinian insurance sector", that study aimed to achieve three main goals: assessing risk management practices utilized in Palestinian insurance companies, identifying the main deficiencies of risk management implementation and developing a risk management model to tackle the deficiencies in the Palestinian insurance sector.

The study used semi-structured interviews and questionnaire to explore the current risk management in Palestinian insurance sector.

The meetings with insurance specialists holding senior managerial positions aimed to understand the insurance sector current risk management situation and how the current risk management practices activities are being utilized. The questionnaires were used to gain an adequate awareness about risk management activities within the Palestinian insurance sector. Data was collected; from a wider spectrum of insurance sector employees across all managerial levels; to complement the result gain from the interviews.

The result was that all insurance companies confirm the importance of risk management to effectively control all other processes within the company. Unfortunately, however, risk management practices are very poor and immature across all levels of the entire Palestinian insurance sector. Furthermore, the severe shortage of qualified and trained employees and the absence of actuarial experts and the marketing methods utilized that depends mainly people; makes the management and pricing of insurance services unscientific and unprofessional. The above matters can be used to create a strong perception of the weakness

that slowed the growth in Palestinian insurance sector; in order to develop a risk management model that suite the Palestinian insurance sector. This model will help the insurance companies to improve and enhance the process of risk management, in order to improve the sector strength and maintain a sustainable growth.

12) Study by (P. Saksena, J. Hsu, D.Evans,2014) Entitled "Financial Risk Protection and Universal Health Coverage: Evidence and Measurement Challenges "

That aimed to examine and to compare and contrast existing measures of financial risk protection. Measuring coverage of needed health services side by side with the extent of financial risk protection in health and inequalities in both provides a complete picture of who can use the health services they need and the financial consequences of this use. These are the critical components of UHC. This paper outlines the four indicators of the lack of financial risk protection: two are now widely used and two others are
increasingly being used to show average levels and inequalities on the path to UHC. In interpreting the information provided by this type of analysis, however, a number of qualifications need to be highlighted. Firstly, the common measures of financial hardship
are not well-suited to understand the long term implications on household economic well-being. If they manage to rebound shortly afterwards then perhaps there would be less concern than if they are trapped in poverty for long periods of time. Exploring these
issues need frequent panel data and the ability to track individual households over time, which is expensive and administratively complex. Related to this complexity is the fact that most household expenditure surveys reveal little about how households cope with health shocks and the resulting financial costs. There are also linkages between social protection and financial risk protection. In addition to immediate financial
consequences, households encounter problems such as loss of employment or wages because of taking time off effort. Financial risk protection is thus just a component of even broader social protection that is needed to ensure that there are no adverse consequences associated with using needed health services. However, these broader research and policy questions lie largely outside the health sector and the boundaries of UHC.

13)Study by (Acemoglu, Daron ,A. Finkelstein, M. Notowidigdo,2013) Entitled "Income and Health Spending"

That aimed to provide causal estimates of the effect of income on aggregate health spending. They defined Health expenditures as a share of GDP in the United States have more than tripled over the past half-century. A common estimation is that this is a consequence of growing income. They had investigated this hypothesis by instrumenting for local area income with time series variation in oil prices interacted with local oil reserves. This strategy enables us to capture both incomplete equilibrium and local general equilibrium special effects of income on health expenditures. Their central income elasticity estimate is 0.7, with 1.1 as the upper end of the 95% confidence interval, which suggests that rising income is unlikely to be a major driver of the rising health expenditure share of GDP. They attempted to estimate the causal effect of aggregate income on aggregate health expenditures by instrumenting for local area income with time series variation in global oil prices interrelated with cross-sectional variation in the oil reserves in different areas of the southern United States. This strategy is attractive not only because it isolates a possibly exogenous source of variation in incomes but also because it incorporates local general equilibrium effects, as we estimate the reaction of health costs in the area to a cumulative change in incomes.

14) Study by (S. Singh , J.Wheeler, 2012) Entitled "Hospital Financial Management:What Is the Link Between Revenue Cycle Management, Profitability, And Not-for-Profit Hospitals' Ability to Grow Equity" that aimed to explores whether actual revenue cycle management can help hospital managers improve their organizations' profitability, strengthen their ability to produce equity, and thus remain financially viable in the long term. More specifically, this study analyzes the relationship between two key financial indicators of effective revenue cycle management-the amount of patient revenue a hospital generates in relation to its assets and the speed with which a hospital collects its patient revenue-and four indicators of financial performance-operating and total profit margins, free cash flow, and the value of the hospital's equity capital. They analyzed audited financial statement information collected by Merritt Research Services for all bond-issuing, not-for-profit US hospitals.' The analysis was limited to the years 2000 to 2007. Since complete longitudinal data were not available for all hospitals, separate samples were derived for the analyses of hospitals' profitability and equity values to preserve the sample size as much as possible. Of the 1,502 hospitals (9,871 hospital-year observations) for which financial data were available, 1,170 hospitals (6,062 hospital-year observations) had sufficient information for our analysis of hospital profitability, and 879 hospitals (3,310

hospital-year observations) had sufficient information for our analysis of hospital equity values.

This article demonstrates that not-for-profit hospital profitability is dearly linked to revenue cycle management performance. Greater quantities of patient revenue per total assets and faster collection periods are associated with better-quality operating and, to a rather smaller degree, total profit margins. In addition to the amount of patient revenue, the speed with which hospitals collect revenue plays an important role in their financial performance. Littler collection periods are related to enhanced operating and total profit margins. Gathering patient revenues faster reduces a hospital's balance in accounts receivable and, consequently. An additional significant result of this study is that effective revenue cycle management is associated with not-for-profit hospitals' ability to grow their equity capital. Larger amounts of patient revenue and shorter collection periods are strongly linked to higher equity values. As expected, greater amounts of patient revenue and shorter collection periods are associated with higher free cash flows.

15) Study by (G.Bazzoli, J.Clement, R. Lindrooth, 2012) Entitled "Hospital Financial Condition and Operational Decisions Related to the Quality of Hospital Care , that aimed to examine how Financial pressure affected the quality of their operations in terms of organizational infrastructure and processes that support the delivery of care. Our sample consisted of community hospitals operating between 1995 and 2000. Financial pressure was measured based on changes in net patient revenues per adjusted patient day and the ratio of cash flow to total revenues. The authors examined effects on hospital investments in plant and equipment and on hospital standards compliance with selected Joint Commission on Accreditation of Healthcare Organization performance areas. The results suggest that increasing financial pressures did lead to cutbacks in these areas. These findings suggest the importance of looking broadly across hospital operations to identify factors that may contribute to poor patient outcomes. Given the findings of earlier studies, these results suggest that poor outcomes may in part result from deterioration in supporting infrastructure and organizational processes.

16) Study by (A. Hammerman, MSc.Pharm, P. Feder-Bubis, D. Greenberg, 2012) Entitled "Financial Risk-Sharing in Updating the National List of Health Services in Israel: Stakeholders' Perceived Interests.

That aimed to explore major stakeholders' views toward the potential implementation of a financial risk-sharing mechanism regarding budget-impact estimates for adding new technologies to the Israeli National List of Health Services.

By using a semi-structured protocol, they interviewed major stakeholders involved in the process of updating the National List of Health Services (N =31). They inquired into participants' views toward our proposed risk-sharing mechanism, whether the proposed scheme would attain its purpose, its viability of implementation, and their opinion on the other stakeholders' incentives.

Followers' considerations were classified into four main areas: financial, administrative/managerial, impact on patients' health, and influence on public image. Most participants agreed that the conceptual risk-sharing scheme will improve the accuracy of early budget estimates and were in favor of the proposed scheme, although Ministry of Finance officials tended to object to it.

The effective employment of risk-sharing schemes depends mainly on their perception as a win-win situation by all stakeholders. The insight exposed by our participants that risk-sharing can be a tool for improving the accuracy of early budget effect estimates and the challenges pointed by them are relevant to other health care systems also and should be considered when applying similar schemes.

17) Study by (Ariffi , N. M., & Kassim, S. H.,2011) Entitled "Risk Management Practices and Financial Performance of Islamic Banks: Malaysian Evidence". In Malaysia, the purpose of this study was to analyze the relationship between risk management practices and the financial performance of the Islamic Bank of Malaysia. To this end, the study assessed the current risk management practices of Islamic banks and linked them to their financial performance. The survey uses questionnaires and supporting data (annual reports). The results of this study illustrate current risk management practices at the Islamic Bank of Malaysia. The study hopes to contribute to suggesting strategies to improve the risk management practices of Islamic banks and make the industry more

30competitive by evaluating current risk management practices and linking them to the financial performance of Islamic Bank.

18) Study by (J.Carlson , S.Sullivan, L.Garrison, P.Neumann, D.Veenstra,2010) Entitled "Linking payment to health outcomes: a taxonomy and examination of performance-based reimbursement schemes between healthcare payers and

manufacturers"That aimed to recognize, categorize and examine performance-based health outcomes reimbursement schemes for medical technology.

They performed a review of performance-based health outcomes reimbursement schemes over the past 10 years (7/98-010/09) using publicly available databases, web and grey literature searches, and input from healthcare reimbursement experts.

They developed a taxonomy of scheme types by inductively organizing the schemes identified according to the timing, execution, and health outcomes measured in the schemes.Their examination had yielded 34 coverage with evidence development schemes, 10 conditional treatment continuance schemes, and 14 performance-linked reimbursement schemes. The popular of schemes are in Europe and Australia, with a cumulative number in Canada and the U.S. These schemes have the potential to alter the reimbursement and pricing landscape for medical technology, but important challenges, including high transaction costs and insufficient information systems, may limit their long-term impact. They submitted that future studies regarding experiences and results of implemented schemes are necessary.

19) Study by (M.Rabinovich , F.Wood, J.Shemer , 2007) Entitled "Impact of new medical technologies on health expenditures in Israel"

That aimed to estimate the impact of new medical technologies on public healthcare expenditures in Israel over the period 2000-2007.

Overall years 2000-2007, government estimates for the costs of new technologies recommended as high-priority for public funding were summarized.

The ratio of predictable costs of these technologies to total public healthcare expenses was considered and compared with actual governmental budget allocations for new technologies. Funding all new high-priority medical technologies would have increased healthcare expenditures by 2.1 percent per year. Government allocations for new technologies raised expenditures by 1.0 percent per year. New medical technologies expressively increase healthcare expenses in Israel. Budgetary constrictions have reduced their actual impact by 52 percent.

This study specifies the need for an annual addition of 2 percent to public healthcare budget for funding new high-priority technologies

20) Study by (Kim TH**,** McCue MJ**,2001) Entitled "Association of market, operational, and financial factors with nonprofit hospitals' capital investment ,** That aimed to gain insight into the fluctuations in market, operational, and financial factors that may have influenced hospital capital investment during this period. The sample consisted of a panel of nonprofit hospitals operating between 1998 and 2001. Capital investment was measured on the basis of capital purchases for buildings, fixtures, and movable equipment during a fiscal year. The results suggest that liquidity-the availability of internal funds-is a critical determinant of capital investment in both urban and rural facilities. From a market viewpoint, results indicate that growth in the over-65 population led to increases in the capital investment of rural hospitals. Financially, an increase in cash flow also was strongly related to a change in capital investment among urban facilities. Surprisingly, rural hospitals with aging plants and equipment had declining capital investment.

21) Study by (B. Yang, Prescott and E. Bae, 2001) Entitled "The impact of economic crisis on health-care consumption in Korea" that aimed to examine the impact of economic crisis on the consumption of health services in Korea.

The results demonstrate that the health care consumption of Korean households has been adversely affected by the recent economic crisis. It confirms that lower income groups and unemployed households are affected most by the crisis, as measured by amount of health expenditure. A distributional impact of the economic crisis on the health sector is also found Whereas the use of medical services by upper income groups is only slightly precious, the lower income groups are spending relatively smaller amounts of money for medical services. For all households, the rate of expenditure decrease is relatively higher for drug expenditures than for medical expenditures. That is facing income reduction, people cut their expenditure in the area where the use is non-essential or less unavoidable. Finally, this study highlights the importance of public policy in addressing the issue of social equity in a time of economic crisis, and suggests that the service utilization levels of the middle and lower income population need to be monitored and supported.

22) Study by (Burstin HR, Lipsitz SR, Udvarhelyi IS, Brennan TA, 1993) Entitled "The effect of hospital financial characteristics on quality of care" , the objective of this study was to assess the relationship among hospital financial features, patient payer mix, and the incidence of negligent medical injuries. Retrospective medical record examination linked to hospital financial reports in acute care hospitals in New York State in 1984. Stratified, random sample of 30,195 medical records from 51 acute care hospitals.

Hospital rates of medical injury and substandard care were developed from reviews of 30,195 medical records at 51 acute care hospitals in New York in 1984. Hospital-level variables representing financial status, hospital staffing, and the proportion of self-pay and Medicaid hospital discharges were compiled from a variety of secondary sources.

They found that the likelihood of negligent medical injury was highest in those hospitals with the lowest inpatient operating costs per hospital discharge (odds ratio, 2.8; 95% confidence interval, 1.5 to 5.5). The influence of low inpatient operating costs was marked among hospitals in financial distress, many of which served indigent populations.

Patients admitted to hospitals that are incapable to expend adequate resources on patient care may be at higher risk of substandard care.

23) Study by (B.Friedman and D.Farley,1987) Entitled " Strategic Responses by Hospitals to Increased Financial Risk in the 1980s" , Objective of this research addresses the following types of responses by hospitals to increased financial risk: (a) increases in prices to privately insured patients (testing separately the effects of risk from the effects of "cost-shifting" that depends on level of Medicare payment in relation to case mix-adjusted cost); (b) variations in service mix offered and selectivity in acceptance of patients to reduce risk; and (c) efforts to reduce variation in resource use for those patients admitted.

The database includes a national panel of over 400 hospitals providing
Information from patient discharge abstracts, hospital financial reports, and county level information over the period 1980-1987. Econometric methods suitable to panel data are implemented, with tests for pooling, hospital-specific fixed effects, and possible problems of selection bias.

They found that the prices paid by private insurers to a particular hospital were affected by changes in risk imposed by Medicare prospective payment, the generosity of Medicare payment, state rate regulation, and ability of the hospital to bear risk. The risk-weighted measure of situation mix did not respond to changes in payment policy, but other variables reflecting the management of care after admission to reduce risk did change in the predicted

directions. Some of the findings in this article are relevant to current Medicare polices that involve risk-sharing, for instance, special allowances for "outlier" patients with unusually high cost, and for sole community hospitals. The first type of allowance appears successful in preserving access to care, while the second type is not well justified by the findings. State rate regulation programs were associated not only with lower hospital prices but also with less risk reduction behavior by hospitals. The design of regulation as a sort of risk-pooling arrangement across payers and hospitals may be attractive to hospitals and help explain their support for regulation in some states.

24) Study by (C. Brecher, S. Nesbitt,1985) Entitled "Factors Associated with Variation in Financial Condition Among Voluntary Hospitals" That aimed to identify factors which affect variations in the financial condition of voluntary hospitals in New York State. A comprehensive assessment of the financial condition of a voluntary hospital requires measures of four aspects of performance. The first is annual operating results. This refers to the extent to which the hospital is providing services for which private or governmental consumers are willing to pay and thereby to provide the hospital with sufficient income to cover its expenses and accumulate new capital. Hospitals whose incomes fall short of their expenses incur losses and must deplete their assets.

They mentioned that; To develop a comprehensive assessment of hospitals' financial condition, the Healthcare Financial Management Association has developed 29 separate ratios grouped into five categories-profitability (which includes income ratios similar to those used to define stress) plus liquidity, capital structure, activity, and others.

They found for voluntary hospitals in New York City, some of the most important findings are adverse ones. Among the factors apparently not responsible for the relatively poor financial condition of some hospitals in the city are high levels of charity care, excessive staffing comparative to workload, large teaching commitments, and low occupancy rates. Instead, the factors with the strongest impacts are policies relating to the third-party payment system. Low payments for outpatient care are causing hospitals which exceed permissible cost ceilings and which have high volumes of outpatient care to incur poor annual operating consequences. Offsetting some of these negative effects is the positive influence of big size and, with respect to indebtedness, added revenues for hospitals able to attract disproportionate numbers of patients with preferred forms of insurance.

Furthermore, they resolved the Simple cause and effect models of hospital financial viability cannot capture fully the complexity of the problem. While this research provides some important guidance for improving hospitals' financial condition, no statistical analysis is likely to prove capable of capturing the full range of dynamic relationships between a hospital's financial condition, its internal operations, and its changing legal and economic environment. Although it may not be possible to incorporate fully their behavior in statistical models, the adaptability and responsiveness of these durable institutions should not be underestimated.

2.2.2 Commenting on previous studies

This section of the study deals with the researcher's comment on the previous studies in terms of the goals that she sought to achieve, the methodology that was used, the results that came out, and how the researcher benefited from these studies, and the most important thing that distinguishes the current study from previous studies. Which contributes in one way or another to enriching this study from various theoretical and applied aspects.

2.2.2.1 Objectives:

- To study the reality of financial risk management.
- To analyze the effect of financial risk management on the financial performance.
- To assess the relationship between hospital financial performance and publicly reported outcomes of care, and to assess whether developed outcome metrics affect subsequent hospital financial performance.

2.2.2.2 Methodology:

As for the research sample, it turns out that all studies agree with each other in how to determine the type and number of sample members and the environment to which it belongs, which is the non-profit hospital, which applies to the current study whose members are employees of Al-Makassed Hospital. As for the tools, all the studies are fieldwork, and in this all the studies agreed that they were based on similar research tools, most of which are the questionnaire tool.

Most of the previous studies shared the use of the descriptive analytical method, as well as the statistical methods that were employed, the most important of which are arithmetic

averages, standard deviations, Cronbach's alpha coefficient, correlation coefficient, t-test, analysis of variance (ANOVA), and simple and multiple regression analysis.

2.2.2.3 Results:

- That Strong financial performance is associated with improved patient reported experience of care, the strongest module distinguishing quality and safety. Their results offer that financially stable hospitals are better able to maintain highly reliable systems and provide ongoing resources for quality improvement.
- Larger amounts of patient revenue and shorter collection periods are strongly linked to higher equity values. As expected, greater amounts of patient revenue and shorter collection periods are associated with higher free cash flows.

2.2.2.4 Benefit from previous studies:

It can be said that the researcher has benefited from the previous studies reviewed in each of the following axes:

1. Formulating the general framework of the study.

2. Formulation of the theoretical framework for the study.

3. Choosing the appropriate study curriculum.

4. Determine the population and sample of the study.

5. Designing the study tool, which is the questionnaire.

6. Data analysis using appropriate statistical methods.

7. Test the hypotheses that have been developed.

8. Discuss the results that have been reached.

9. Provide the necessary recommendations in light of the results of the study.

2.2.2.5 What distinguishes this study from previous studies:

What distinguishes this study is that it dealt with financial risk management in Makassed Hospital, as the health sector is one of the most important sectors that affect and are affected by the state's economy and policy.

More over It examined financial risk management from an employee and patient point of view.

Chapter Three:

Methodology:

3.1 Introduction

In this chapter, the design of the research was explored. Study instrument, data collection process and ethical considerations were also described. Settings in which the study was conducted and characteristics of the population were also discussed.

3.2 Design

The Cross-Sectional Descriptive Analytic designs was used in this study to explore the reality of financial risk management in Palestinian hospitals (Al-Makassed Islamic Charitable Hospital in Jerusalem as a case) to achieve aim and objectives using a self-filling questionnaire.

3.3 Setting

Setting of the study was Al-Makassed Islamic Charitable Hospital in Jerusalem.

3.4 Population and Sample

The target population of the first part of study consists of administration department employees and Financial department employees in Al-Makassed Islamic Charitable Hospital. For second part of study target population consists of patients in Al-Makassed Islamic Charitable Hospital. The estimated number for administration department employees

and Financial department employees is 32 employees and the estimated number for patients are 60.

3.5 Sample

Random sampling was adopted to distribute the questionnaire so every employee in administration and Financial department had the same opportunity to participate in this study which equal 32 employees.

For patients convenience sampling was adopted to distribute the questionnaire which included 60 samples.

3.6 Instrument

Tow questionnaires were used in the study, first one for employees in administration department and Financial department which included 31 items divided in four sections, section one for sociodemographic variables, section two the financial dimension, section three profitability dimension and section four for the effects of Financial Risk.

Second questionnaire for patient`s Companions which included 20 items divided in three sections, section one for sociodemographic variables, second section for the suitability of price and third section for the importance of factors when deciding to treat in a hospital.

3.7 Validity and Reliability

Content validity of the questionnaires was assured by reviewing the questionnaire by six academics in hospital financial and administration in additional to statistic. Academics confirmed suitability of the questionnaire items and questions to measure what they were intended to measure. However, minimal changes were made as advised by the experts.

Face validity was also assured by asking five employees and five patients who have the same characteristics of the study population to read questions and try to answer them to assess questions' clarity, all of the participants provided positive feedback about the clarity of the questions.

Reliability; internal consistency was examined by Cronbach's alpha test which determines the internal consistency or average correlation of items in a survey instrument to gauge its reliability. The results of Cronbach's alpha are shown in Tables (3.1) and table (3.2) which shows excellent reliability for both questionnaire parts.

Table 3.1: Results of Cronbach's alpha of questionnaire items (Employees Questionnaire)

Section	No. of items	Cronbach's alpha
Section B	11	0.88
Section C	8	0.82
Section D	5	0.90
Overall	24	0.86

Table 3.2: Results of Cronbach's alpha of questionnaire items (Patients Questionnaire)

Section	No. of items	Cronbach's alpha
Section B	6	0.91
Section C	5	0.87
Overall	11	0.90

Internal Validity

The researcher uses person correlations between each statement and total degree for each dimension.

1-The financial Dimension

According to results correlation is significant at the 0.05 level which mean statements of the first dimensions internally consistent with its dimension as shown in table (1).

Table 3.3: The correlation between financial Dimension items and total degree for dimension.

Statement	Person Correlation	P Value
B1	0.457	0.008
B2	0.439	0.002
B3	0.642	0.000
B4	0.659	0.000
B5	0.535	0.002
B6	0.473	0.007
B7	0.652	0.000
B8	0.526	0.002
B9	0.440	0.013
B10	0.488	0.001
B11	0.414	0.005

2- Profitability Dimension

According to results correlation is significant at the 0.05 level which mean statements of the first dimensions internally consistent with its dimension as shown in table (2).

Table 3.4 : The correlation between Profitability Dimension items and total degree for dimension.

Statement	Person Correlation	P Value
C1	0.659	0.000
C2	0.707	0.000
C3	0.634	0.000
C4	0.556	0.001
C5	0.455	0.009
C6	0.573	0.001
C7	0.511	0.001
C8	0.736	0.000

3- Effects of Financial Risk

According to results correlation is significant at the 0.05 level which mean statements of the first dimensions internally consistent with its dimension as shown in table (1).

Table 3.5 : The correlation between financial Dimension items and total degree for dimension.

Statement	Person Correlation	P Value
D1	0.683	0.000
D2	0.699	0.000
D3	0.654	0.000
D4	0.592	0.000
D5	0.527	0.002

3.8 Data Collection

Subjects were accessed face to face in the previously mentioned hospital, a self-administered questionnaire were distributed in administration department and Financial department in additional to patient`s companions in open and closed and filled questionnaires were collected within four weeks. Data collected in the mentioned hospital in the period April 10th 2020 to May10th 2020.

3.9 Data Analysis

Data was analyzed using Statistical Package for Social Sciences version 23. Analysis of the retrieved data involved descriptive and inferential statistics. Frequencies and descriptive statistics of characteristics of the subjects and responses were calculated for each questionnaire item. Inferential statistics were conducted between sample characteristics and main study sections.

Descriptive statistics included frequencies, means, percentages, and standard deviation were calculated for all items of the questionnaire. Furthermore, t-Test and ANOVA were used to determine relationships between variables.

Chapter Four:

Results:

Introduction

In this chapter results of both employees and patients questionnaires analysis are shown. First part contains Socio demographic Characteristics, descriptive statistics and inferential hypothesis for employees in AlMakassed Hospital , and second part contains Socio demographic Characteristics, descriptive statistics and inferential hypothesis for patients in AlMakassed Hospital.

First part: Employee Questionnaire

4.1 Socio demographic Characteristics

Table (4.1): Socio demographic For Al-Makassed Hospital employees

	Characteristics		Frequency	Percentage
A1	**Gender**	Male	19	59.4%
		Female	13	40.6%
A2	**Marital status**	Single	5	15.6%
		Married	23	71.9%
		Divorced	4	12.5%
		Widowed	0	0%
A3	**Age**	19-25 Years	2	6.3%
		26-32 Years	8	25%
		33-39 Years	0	0%
		40 Years and above	22	68%
A4	**Educational level**	Diploma	3	9.4%
		Bachelors	17	53.1%
		Post graduate	12	37.5%
A5	**Education**	Business Administration	9	28.1%
		Accounting	11	34.3%
		Economics	2	6.3%
		Other	10	31.3%
A6	**Years of experience**	Less than 10 years	16	50%
		10-19 years	5	15.6%
		20-29 years	3	9.4%
		30 years and above	8	25%
A7	**Job Position**	Administrative manager	2	6.3%
		Financial manager	1	3.1%
		Accounting Manager	4	12.5%
		Financial staff	6	18.8%
		Accounting staff	11	34.4%
		Other	8	25%

The total number of samples was thirty-two employees, 59.4% of total sample was male and 40.6% for female. On the other hand, 71.9% of employees married ,15.6% of total employees sample single and 12.5% were divorced. Around 68% of sample their age forty years and above, twenty five percent of sample their age between 26 -32 years and just 6.3% their age between 19 – 25 years as shown in table (4.1).

Almost 53.1% of employees have bachelor degree, just 9.4% of total sample have diploma degree and 37.5% who have post graduate certificate, this reflects that the hospital is educational and urges its employees to obtain master's degrees, and it does not employ less than a bachelor's degree at the present time. Moreover, total sample of employee how their branch education Business Administration 28.1% ,34.3% for accounting and 31.1% for other topics, this means that all employees in the finance and accounting department are specialized. On the other hand, fifty percent of employees their experience less than ten years, 25% their experience between ten and twenty-nine years and 25% of sample their experience thirty years and above because of all employees are less than 60 years

4.2 Descriptive Statistics for Al-Makassed Hospital employees

4.2.1 The financial Dimension

Table (4.2) AlMakassed Hospital employees' agreement toward financial Dimension.

#	Statement	Strongly Disagree	Disagree	Neutral	Agree	Agee Strongly	Mean	Std. Dev.
		1	2	3	4	5		
B1	The available financial resources are used to improve the hospital’s performance.	15.6%	18.8%	18.8%	37.5%	9.4%	3.06	1.26
B2	The administration works to provide funding sources that lead to the hospital's development.	9.4%	21.9%	21.9%	37.5%	9.4%	3.15	1.16
B3	The hospital seeks to control unnecessary expenses that do not contribute effectively to improving the quality of medical services provided.	28.1%	25.0%	15.6%	28.1%	3.1%	2.53	1.26
B4	The hospital works continuously to improve its financial returns.	9.4%	25.0%	18.8%	43.8%	3.1%	3.06	1.1

B5	The hospital is working continuously to develop plans to activate the utilization of revenues.	6.3%	31.3%	28.1%	31.3%	3.1%	2.93	1.01
B6	The hospital works to increase its revenues by opening new departments or providing new services.	6.3%	3.1%	28.1%	50.0%	12.5%	3.59	0.97
B7	The hospital is committed to the principle of efficient procurement (purchase with quotations).	0.0%	15.6%	34.4%	46.9%	3.1%	3.37	0.79
B8	The hospital administration periodically reviews the approved budget to control and treat deviations.	3.1%	40.6%	37.5%	18.8%	0.0%	2.71	0.81
B9	Financial reports are prepared periodically to achieve effective financial performance.	6.3%	21.9%	28.1%	37.5%	6.3%	3.15	1.05
B10	There are specific financial indicators that can be relied upon to measure financial performance.	6.3%	34.4%	25.0%	28.1%	6.3%	2.93	1.07
B11	The hospital's financial condition is negatively affected by the economic crises that the Palestinian health sector is going through.	3.1%	3.1%	3.1%	25.0%	65.6%	4.46	0.94
Total							**3.18**	**1.04**

The total mean for employee's agreement toward financial part in AlMakassed hospital equal 3.18 (Std. Dev. =1.04) that considered moderate agreement.

The employees have high agreement with the following statements:

The hospital works to increase its revenues by opening new departments or providing new services (mean= 3.59), So, there is new departments in hospitals like neurosurgery intensive care unit this led to an increase in the number of cases and The hospital's financial condition is negatively affected by the economic crises that the Palestinian health sector is going through (mean= 3.37) The financial situation has recently been affected by the Corona virus,

the high cost of treating patients, and the inability to repay debts due to the bad economic situation.

Moreover the employees have moderate agreement with the following statements (The available financial resources are used to improve the hospital's performance, The administration works to provide funding sources that lead to the hospital's development, , The hospital works continuously to improve its financial returns, The hospital is working continuously to develop plans to activate the utilization of revenues , The hospital administration periodically reviews the approved budget to control and treat deviations, Financial reports are prepared periodically to achieve effective financial performance and There are specific financial indicators that can be relied upon to measure financial performance.

The lowest agreement was with the statement: The hospital seeks to control unnecessary expenses that do not contribute effectively to improving the quality of medical services provided, may be because of unnecessary lab tests and investigation for long hospitalized patients those who receive treatment on transfers from the Palestinian National Authority.

4.2.2 Profitability Dimension

Table (4.3) AlMakassed Hospital employees' agreement toward Profitability Dimension.

#	Statement	Strongly Disagree	Disagree	Neutral	Agree	Agee Strongly	Mean	Std. Dev.
		1	2	3	4	5		
C1	Operating profit is in good standing.	37.5%	31.3%	15.6%	15.6%	0.0%	2.09	1.08
C2	Return on assets is acceptable.	21.9%	37.5%	18.8%	18.8%	3.1%	2.41	1.14
C3	Net assets are high.	15.6%	37.5%	31.3%	6.3%	9.4%	2.56	1.13
C4	The hospital asset utilization efficiency is high.	12.5%	34.4%	28.1%	18.8%	6.3%	2.7	1.13
C5	Capital spending is high.	6.3%	25.0%	18.8%	31.3%	18.8%	2.31	1.22
C6	The bill collection rate is high.	25.0%	37.5%	12.5%	21.9%	3.1%	2.4	1.18
C7	Few free patient treatment	12.5%	46.9%	12.5%	15.6%	12.5%	2.68	1.25
C8	The cost of health services is higher than the amount of profit.	9.4%	25.0%	15.6%	25.0%	25.0%	3.31	1.35
Total							**2.56**	**1.19**

The total mean for employee's agreement toward Profitability part in Al-Makassed hospital equal 2.56 (Std. Dev. =1.19) that considered moderate agreement.

The employees have high agreement just with the following statement: The cost of health services is higher than the amount of profit (mean 3.31) because of the high salaries of specialists and the number of days that patient stays is higher compared to government hospitals which leads to high cost.

On the other hand, the employees have moderate satisfaction with the following statements (Operating profit is in good standing, return on assets is acceptable, Net assets are high, the hospital asset utilization efficiency is high, Capital spending is high, the bill collection rate is high and few free patient treatment) .

4.2.3 Effects of Financial Risk

Table (4.4) AlMakassed Hospital employee's agreement toward Effects of Financial Risk.

#	Statement	Strongly Disagree	Disagree	Neutral	Agree	Agee Strongly	Mean	Std. Dev.
		1	2	3	4	5		
D1	Financial risk negatively affects the continuation of health services provision.	6.3%	0.0%	3.1%	34.4%	56.3%	4.34	1.03
D2	Financial risk reduces the proportion of drug purchases.	0.0%	6.3%	0.0%	28.1%	65.6%	4.53	0.8
D3	Financial risk postpones employee salaries.	0.0%	3.1%	0.0%	18.8%	78.1%	4.71	0.63
D4	Financial risk reduces the quality of health care.	9.4%	15.6%	3.1%	31.3%	40.6%	3.78	1.38
D5	Financial risk reduces the purchase of medical equipment and supplies.	3.1%	0.0%	6.3%	25.0%	65.6%	4.5	0.78
Total							**4.37**	**0.92**

The total mean for employee's agreement toward Effects of Financial Risk in AlMakassed hospital equal 4.37 (Std. Dev. =0.2) that considered High agreement. The employees have

high agreement with all statements (Financial risk negatively affects the continuation of health services provision, financial risk reduces the proportion of drug purchases, financial risk postpones employee salaries, financial risk reduces the quality of health care and financial risk reduces the purchase of medical equipment and supplies, on several occasions, the hospital faced severe shortages of medical equipment and delayed staff salaries for three consecutive months which delayed the course of treatment and surgeries for critically ill patients.

4.3 Inferential hypothesis for AlMakassed Hospital employees

4.3.1 The Relationship Between AlMakassed Hospital employee's agreement toward financial Dimension related to Socio demographic variables.

No significance differences for all variables have p-value more than $\alpha \leq 0.05$ as shown in table (4.5)

Table (4.5): The Relationship Between Al-Makassed Hospital employee's agreement toward financial Dimension related to Socio demographic variables.

#	Variable b		Mean	Std. Dev.	t/ f value	Df	P value
A1	**Gender**	Male	34.58	6.42	-0.5	30	**0.61**
		Female	35.62	4.35			
A2	**Marital status**	Single	32.6	4.2	0.89	31	**0.420**
		Married	35.8	6.1			
		Divorced	33.3	3.3			
A3	**Age**	19-25 Years	37.0	9.9	0.65	31	**0.52**
		26-32 Years	36.6	3.8			
		40 Years and above	34.2	5.9			
A4	**Educational level**	Diploma	32.33	1.53	0.39	31	**0.67**
		Bachelors	35.53	5.58			
		Post graduate	34.92	6.39			
A5	**Education**	Business Administration	35.56	6.91	1.25	31	**0.30**
		Accounting	36.91	5.17			
		Economics	35.50	4.95			
		Other	32.30	4.57			

A6	**Years of experience**	Less than 10 years	35.13	4.43	1.38	31	**0.26**
		10-19 years	31.80	5.59			
		20-29 years	40.00	3.61			
		30 years and above	34.88	7.62			
A7	**Job Position**	Administrative manager	43.0	2.8	2.20	31	**0.08**
		Financial manager	39.0	.---			
		Accounting Manager	37.5	6.1			
		Financial staff	36.5	6.0			
		Accounting staff	34.0	4.7			
		Other	31.5	4.9			

4.3.2 The Relationship Between Al- Makassed Hospital employee's agreement toward Profitability Dimension related to Socio demographic variables.

The employee's agreement toward Profitability Dimension affected by Marital status since p – value equal 0.02 less than $\alpha \leq 0.05$, so high total mean was for divorced employees which equal 28.8 (Std. Dev. =6.3). However, other variables have p-value more than $\alpha \leq 0.05$ that mean no significance differences as shown as in table (4.6)

Table (4.6): The Relationship Between AlMakassed Hospital employee's agreement toward Profitability Dimension related to Socio demographic variables.

#	Variable c		Mean	Std. Dev.	t/ f value	Df	P value
A1	**Gender**	Male	21.11	5.34	-.74	30	0.46
		Female	22.73	6.34			
A2	**Marital status**	Single	19.6	4.8	4.55	31	0.020
		Married	20.9	4.9			
		Divorced	28.8	6.3			
A3	**Age**	19-25 Years	26.5	0.7	0.81	31	0.45
		26-32 Years	22.0	4.6			
		40 Years and above	21.1	6.1			

A4	**Educational level**	Diploma	23.67	6.03	0.90	30	0.41
		Bachelors	22.56	6.04			
		Post graduate	19.91	5.05			
A5	**Education**	Business Administration	21.67	5.55	1.40	31	1.26
		Accounting	19.10	2.77			
		Economics	24.00	.---			
		Other	24.10	7.37			
A6	**Years of experience**	Less than 10 years	21.14	4.66	2.27	31	0.103
		10-19 years	24.60	7.83			
		20-29 years	27.00	2.00			
		30 years and above	18.88	5.41			
A7	**Job Position**	Administrative manager	18.0	5.7	0.46	31	0.79
		Financial manager	25.0	.			
		Accounting Manager	20.3	5.7			
		Financial staff	20.2	2.6			
		Accounting staff	22.8	6.0			
		Other	22.9	7.6			

4.3.3 The Relationship Between AlMakassed Hospital employee's agreement toward Effects of Financial Risk related to Socio demographic variables.

The employee's agreement toward Effects of Financial Risk affected by Marital status since p – value equal 0.043 less than $\alpha \leq 0.05$, so high total mean was for divorced employees which equal 28.8 (Std. Dev. =6.3). However, other variables have p-value more than $\alpha \leq 0.05$ that mean no significance differences as shown as in table (4.7)

Table (4.7): The Relationship Between AlMakassed Hospital employee's agreement toward Effects of Financial Risk related to Socio demographic variables.

#	Variable d		Mean	Std. Dev.	t/ f value	Df	P value
A1	**Gender**	Male	22.58	2.57	1.64	30	0.11
		Female	20.85	3.39			
A2	**Marital status**	Single	19.6	4.8	3.52	31	0.043
		Married	20.9	4.9			
		Divorced	28.8	6.3			
A3	**Age**	19-25 Years	22.0	2.8	0.002	31	0.99
		26-32 Years	21.9	4.1			
		40 Years and above	21.9	2.7			
A4	**Educational level**	Diploma	20.00	3.00	2.16	31	0.13
		Bachelors	21.29	3.02			
		Post graduate	23.17	2.69			
A5	**Education**	Business Administration	21.33	2.60	0.64	31	0.59
		Accounting	22.91	2.26			
		Economics	21.50	4.95			
		Other	21.30	3.83			
A6	**Years of experience**	Less than 10 years	22.06	3.30	0.37	31	0.77
		10-19 years	20.60	2.88			
		20-29 years	21.67	2.89			
		30 years and above	22.38	2.83			
A7	**Job Position**	Administrative manager	21.0	5.7	0.75	31	0.85
		Financial manager	25.0	.----			
		Accounting Manager	23.8	2.5			
		Financial staff	22.0	2.4			
		Accounting staff	21.8	2.5			
		Other	20.8	3.8			

Second part: Patient Questionnaire

4.3 Socio demographic Characteristics

Table (4.8): Socio demographic for AlMakassed Hospital Patients

	Characteristics		Frequency	Percentage
A1	**Gender**	Male	39	65%
		Female	21	35%
A2	**Marital status**	Single	13	21.7%
		Married	45	75%
		Divorced	1	1.7%
		Widowed	1	1.7%
A3	**Age**	19-25 Years	2	3.3%
		26-32 Years	14	23.3%
		33-39 Years	8	13.3%
		40 Years and above	36	60%
A4	**Educational level**	High school or lower	24	40%
		Diploma	7	11.7%
		Bachelors	19	31.7%
		Post graduate	10	16.7%
A5	**Occupation**	Student	3	5%
		Unemployment	14	23.3%
		Public sector employee	11	18.3%
		Private sector employee	24	40%
		Free business	8	13.3%
A6	**Do you have an income**	Yes	45	75%
		No	15	25%
A7	**what is the monthly income / NIS**	Less 2500	9	15%
		2500-4000	14	23.3%
		4001-6000	15	25%
		More 6000	7	11.7%
A8	**Type of financial coverage for hospitalization costs**	Self-payment	8	13.3%
		Governmental health insurance	34	56.7%
		Private health insurance	18	30%

A9	**If your financial coverage is on your personal account, what is the method of payment**	Cash	16	26.7%
		Checks	4	6.7%
		Financial pledge	18	30%

The total number of samples was sixty patients, 65% of total sample was male and 35% for female. On the other hand, 75% of patients married, 21.7% of total patient's sample single. Around 60% of sample their age forty years and above, 23.3% of sample their age between 26 -32 years, almost 31.7% of patients finished bachelor degree, 40 % of total sample have finished high school or less and 16.7% who complete post graduate certificate. Moreover, total sample of patients who work in Private sector employee equal 40% ,75% of patients have constant income and fifty percent of them their income between 2500 and 6000 NIS ,56.7% of patients have Governmental health insurance.

4.4 Descriptive Statistics for AlMakassed Hospital Patients

4.5.1 The importance of Economic factors when deciding to treat in a hospital

Table (4.9) AlMakassed Hospital patient's agreement toward The importance of factors when deciding to treat in a hospital

#	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev.
		1	2	3	4	5		
B1	Your financial situation affects your treatment options	10.0%	15.0%	5.0%	36.7%	33.3%	3.68	1.34
B2	Transportation to get to the hospital is expensive	11.7%	16.7%	13.3%	38.3%	20.0%	3.38	1.3
B3	Spending on health services is high	8.3%	10.0%	23.3%	38.3%	20.0%	3.51	1.17
B4	Spending on medicines is high	5.0%	8.3%	30.0%	35.0%	21.7%	3.6	1.07
B5	Staying in the hospital requires high personal expenses	16.7%	25.0%	13.3%	31.7%	13.3%	3	1.34

B6	Sometimes you will resort to buying medicine from a pharmacy instead of going for treatment in a hospital due to the financial situation	10.0%	18.3%	10.0%	31.7%	30.0%	3.53	1.35
Total							**3.45**	**1.26**

The total mean for patient's agreement toward financial part of factors when deciding to treat in AlMakassed hospital equal 3.45 (Std. Dev. =1.26) that considered high agreement. The patients have high agreement with the following statements (Your financial situation affects your treatment options, Transportation to get to the hospital is expensive, Spending on health services is high; Therefore, very few patients are treated at their own expense, Spending on medicines is high and sometimes you will resort to buying medicine from a pharmacy instead of going for treatment in a hospital due to the financial situation).

The lowest agreement with the statement Staying in the hospital requires high personal expenses, because the hospital provides three meals for patients and their companions and place to sleep for companions.

4.5.2 The Suitability of Prices

Table (4.10) AlMakassed Hospital patient's agreement toward The Suitability of Prices

#	Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev.
		1	2	3	4	5		
C1	It is necessary to have governmental or private health insurance	3.3%	1.7%	6.7%	20.0%	66.7%	4.46	0.94
C2	I see the prices of health services as good	6.7%	18.3%	20.0%	38.3%	16.7%	3.4	1.16
C3	I see the pricing policy of the hospital Relevance	6.7%	26.7%	16.7%	38.3%	11.7%	3.21	1.16
C4	It was the price level that drove me to come here	15.0%	16.7%	35.0%	23.3%	10.0%	2.96	1.19
C5	I see the prices for surgeries are high	13.3%	18.3%	33.3%	28.3%	6.7%	2.96	1.13
Total							**3.40**	**1.12**

The total mean for patient's agreement toward The Suitability of Prices in AlMakassed hospital equal 3.40 (Std. Dev. =1.12) that considered high agreement. The patients have high agreement with the following statements (It is necessary to have governmental or private health insurance so there is 56.7% of them have governmental insurance and I see the prices of health services as good; because they pay a maximum of 10% of the actual cost).

Moreover, the patients have moderate agreement with the following statement (I see the pricing policy of the hospital Relevance, it was the price level that drove me to come here and I see the prices for surgeries are high)

4.6 Inferential hypothesis for AlMakassed Hospital patients

4.6.1 The Relationship Between AlMakassed Hospital patient's agreement toward the importance of Economic factors when deciding to treat in Victoria hospital related to Socio demographic variables.

The patient agreement toward factors when deciding to treat in hospital affected by monthly income since p – value equal 0.031 less than $\alpha \leq 0.05$, so high total mean was for patients who monthly income more than 6000 NIS which equal 25.29 (Std. Dev. =3.35).and patient's agreement affected with Method of payment since p – value equal 0.041 less than $\alpha \leq 0.05$, so high total mean was for patients who use financial pledge which equal 22.33 (Std. Dev. =4.42). However, other variables have p-value more than $\alpha \leq 0.05$ that mean no significance differences as shown as in table (4.11)

Table (4.11): The Relationship Between Al-Makassed Hospital patient's agreement toward the importance of Economic factors when deciding to treat in Al-Makassed Hospital related to Socio demographic variables.

#	Variable		Mean	Std. Dev.	T / f value	df	P value
A1	**Gender**	Male	21.46	5.29	1.44	58	0.155
		Female	19.33	5.74			
A2	**Marital status**	Single	21.15	7.74	0.78	59	0.57
		Married	20.35	5.72			
		Divorced	28	-			
		Widowed	24	-			
A3	**Age**	19-25 Years	13	2.82	1.64	59	0.19
		26-32 Years	22	4.45			
		33-39 Years	21	2.79			
		40 Years and above	20	6.14			
A4	**Educational level**	High school or lower	20.41	6.09	0.468	59	0.706
		Diploma	20.57	3.77			
		Bachelors	20.15	5.30			
		Post graduate	20.60	5.73			
A5	**Occupation**	Student	16.00	7.00	1.37	59	0.256
		Unemployment	20.14	5.14			
		Public sector employee	19.64	4.65			
		Private sector employee	21.13	6.08			
		Free business	23.75	4.06			
A6	**Do you have an income**	Yes	20.70	5.29	-0.03	58	0.97
		No	20.75	6.03			

A7	**monthly income / NIS**	Less 2500	21.67	4.58	3.25	59	0.031
		2500-4000	21.14	4.29			
		4001-6000	18.40	6.02			
		More 6000	25.29	3.35			
A8	**Type of financial coverage for hospitalization costs**	Self-payment	23.0	2.6	1.23	59	0.30
		Governmental health insurance	19.9	5.9			
		Private health insurance	21.3	5.6			
A9	**Method of payment**	Cash	17.81	5.56	3.51	59	0.041
		Checks	22.25	6.85			
		Financial pledge	22.33	4.42			

4.6 The Relationship Between AlMakassed Hospital patient's agreement toward the Suitability of Prices related to Socio demographic variables.

The patient agreement toward The Suitability of Prices doesn't affect by any variables since p-value for all variables more than $\alpha \leq 0.05$ that mean no significance differences as shown as in table (4.12)

Table (4.12): The Relationship Between Al-Makassed Hospital patient's agreement toward The Suitability of Prices related to Socio demographic variables.

#	Variable	Mean	Std. Dev.	T value	df	P value

A1	**Gender**	Male	16.92	3.23	-0.315	58	0.75
		Female	17.19	2.92			
A2	**Marital status**	Single	17.30	3.17	0.208	59	0.891
		Married	16.95	3.18			
		Divorced	15	-			
		Widowed	18	-			
A3	**Age**	19-25 Years	16	7.07	0.313	59	0.816
		26-32 Years	16.42	5.53			
		33-39 Years	17.12	3.04			
		40 Years and above	17.27	3.23			
A4	**Educational level**	High school or lower	16.91	3.2	0.154	59	0.927
		Diploma	17.71	2.69			
		Bachelors	17.05	3.08			
		Post graduate	16.70	3.40			
A5	**Occupation**	Student	16.00	7.00	1.05	59	0.38
		Unemployment	20.14	5.14			
		Public sector employee	19.64	4.65			
		Private sector employee	21.13	6.08			
		Free business	23.75	4.06			
A6	**Do you have an income**	Yes	16.97	2.90	-0.14	58	0.88
		No	17.10	3.58			
A7	**monthly income / NIS**	Less 2500	16.56	3.17	0.98	59	0.408
		2500-4000	17.86	2.48			
		4001-6000	16.00	3.27			
		More 6000	17.43	3.60			
A8	**Type of financial coverage for hospitalization costs**	Self-payment	17.3	2.7	0.05	59	0.94
		Governmental health insurance	17.1	3.5			
		Private health insurance	16.8	2.7			
A9	**Method of payment**	Cash	16.69	3.82	0.067	59	0.93
		Checks	16.75	3.86			
		Financial pledge	17.11	3.05			

4.2 Descriptive Statistics for Al-Makassed Hospital employees

4.2.1 The financial Dimension

Table (4.13) Al Makassed Hospital employees' agreement toward financial Dimension.

#	Statement	Mean	Std. Dev.	Coefficient Of Variation (C.V)
B1	The available financial resources are used to improve the hospital's performance.	3.06	1.26	41.2%
B2	The administration works to provide funding sources that lead to the hospital's development.	3.15	1.16	36.8%
B3	The hospital seeks to control unnecessary expenses that do not contribute effectively to improving the quality of medical services provided.	2.53	1.26	49.8%
B4	The hospital works continuously to improve its financial returns.	3.06	1.1	35.9%
B5	The hospital is working continuously to develop plans to activate the utilization of revenues.	2.93	1.01	34.5%
B6	The hospital works to increase its revenues by opening new departments or providing new services.	3.59	0.97	27.0%
B7	The hospital is committed to the principle of efficient procurement (purchase with quotations).	3.37	0.79	23.4%
B8	The hospital administration periodically reviews the approved budget to control and treat deviations.	2.71	0.81	29.9%

B9	Financial reports are prepared periodically to achieve effective financial performance.	3.15	1.05	33.3%
B10	There are specific financial indicators that can be relied upon to measure financial performance.	2.93	1.07	36.5%
B11	The hospital's financial condition is negatively affected by the economic crises that the Palestinian health sector is going through.	4.46	0.94	21.1%
Total		**3.18**	**1.04**	**32.7%**

4.2.2 Profitability Dimension

Table (4.14) AlMakassed Hospital employees' agreement toward Profitability Dimension.

#	Statement	Mean	Std. Dev.	Coefficient Of Variation (C.V)
C1	Operating profit is in good standing.	2.09	1.08	51.7%
C2	Return on assets is acceptable.	2.41	1.14	47.3%
C3	Net assets are high.	2.56	1.13	44.1%
C4	The hospital asset utilization efficiency is high.	2.7	1.13	41.9%
C5	Capital spending is high.	2.31	1.22	52.8%
C6	The bill collection rate is high.	2.4	1.18	49.2%
C7	Few free patient treatment	2.68	1.25	46.6%
C8	The cost of health services is higher than the amount of profit.	3.31	1.35	40.8%
Total		**2.56**	**1.19**	**46.5%**

4.2.3 Effects of Financial Risk

Table (4.15) AlMakassed Hospital employee's agreement toward Effects of Financial Risk.

#	Statement	Mean	Std. Dev.	Coefficient Of Variation (C.V)
D1	Financial risk negatively affects the continuation of health services provision.	4.34	1.03	23.7%
D2	Financial risk reduces the proportion of drug purchases.	4.53	0.8	17.7%
D3	Financial risk postpones employee salaries.	4.71	0.63	13.4%
D4	Financial risk reduces the quality of health care.	3.78	1.38	36.5%
D5	Financial risk reduces the purchase of medical equipment and supplies.	4.5	0.78	17.3%
Total		**4.37**	**0.92**	**21.1%**

4.5 Descriptive Statistics for AlMakassed Hospital Patients

4.5.1 The importance of Economic factors when deciding to treat in a hospital

Table (4.16) AlMakassed Hospital patient's agreement toward the importance of factors when deciding to treat in a hospital

#	Statement	Mean	Std. Dev.	Coefficient Of Variation (C.V)
B1	Your financial situation affects your treatment options	3.68	1.34	36.4%
B2	Transportation to get to the hospital is expensive	3.38	1.3	38.5%
B3	Spending on health services is high	3.51	1.17	33.3%
B4	Spending on medicines is high	3.6	1.07	29.7%
B5	Staying in the hospital requires high personal expenses	3	1.34	44.7%
B6	Sometimes you will resort to buying medicine from a pharmacy instead of going for treatment in a hospital due to the financial situation	3.53	1.35	38.2%
Total		**3.45**	**1.26**	**36.5%**

4.5.2 The Suitability of Prices

Table (4.17) AlMakassed Hospital patient's agreement toward The Suitability of Prices

#	Statement	Mean	Std. Dev.	Coefficient Of Variation (C.V)
C1	It is necessary to have governmental or private health insurance	4.46	0.94	21.1%
C2	I see the prices of health services as good	3.4	1.16	34.1%
C3	I see the pricing policy of the hospital Relevance	3.21	1.16	36.1%
C4	It was the price level that drove me to come here	2.96	1.19	40.2%
C5	I see the prices for surgeries are high	2.96	1.13	38.2%
Total		**3.40**	**1.12**	**32.9%**

Chapter Five:

Discussion:

5.1 Introduction

This study provides basic assessment of the basic concepts and issues related to risk management and that effect on quality and safety of patients care in Al-Makassed Hospital-Jerusalem. This was done by using tow questionnaires for Al-Makassed Hospital employees and patients.

In this chapter the results of descriptive and inferential statistics are discussed. Moreover, the results of this study are compared with results of researches for the same subject from Arabic and western countries.

5.1.1 Al-Makassed Islamic Charitable Society hospital employees' section.

This section discussed results of three dimensions: financial dimension, profitability dimension and effects of financial disk dimension.

5.2.1 Financial Dimension

The total mean for employee's agreement toward financial part in Al-Makassed hospital equal 3.18 (Std. Dev. =1.04) that considered moderate agreement, this result is consistent with result of a Study by D. AkinleyeI , L. McNuttI,V. Lazariu, C. McLaughlin (2019) who reported that strong financial performance is associated with improved patient reported experience of care, the strongest component distinguishing quality and safety, that mean financially stable hospitals are better able to maintain highly reliable systems and provide ongoing resources for quality improvement. More over results of a study conducted **by** B.HR**,** L.SR**,** U.IS**,** B.TA, (1993) about the effect of hospital financial characteristics on quality of care emphasized the importance of financial considerations to avoid negligent

medical injury which increased in those hospitals with the lowest inpatient operating costs per hospital discharge.

5.2.2 Profitability Dimension

The total mean for employee's agreement toward Profitability part in Al-Makassed hospital equal 2.56 (Std. Dev. =1.19) that considered moderate agreement. The Study conducted by (S. Singh, J. Wheeler, 2012) showed the successful management of the patient revenue cycle plays an important role in not-for-profit hospitals' efforts to boost profitability, which enhance quality and safety care of patients. Other study consistent with research results that conducted by G. Dong (2015), so the results suggest that, when a hospital made more profit, had the capacity to finance investment using debt, paid higher wages presumably to attract more skilled nurses, its quality of care would generally improve and the lack of financial strength may result in a lower standard of health care services.

5.2.3 Effects of Financial Risk

The total mean for employee's agreement toward Effects of Financial Risk in Al-Makassed hospital equal 4.37 (Std. Dev. = 0.2) that considered High agreement.

Results of study conducted by Xianjing Qin and Hongye Luo (2017) showed that the dropping down of catastrophic health payments headcounts and the share of OOP in total payment provides evidence to the effectiveness of financial risk pooling intervention by NCMS, and this approach indeed help reduced the financial barriers to health care services. Moreover, other study conducted by P. Saksena, J. Hsu, D. Evans (2014) showed that Financial risk protection is thus just a component of even broader social protection that is needed to ensure that there are no adverse consequences associated with using needed health services.

5.3 Al-Makassed Islamic Charitable Society hospital patient' section.

This section discussed the importance of Economic factors when patients deciding to treat in a hospital and the suitability of prices.

5.3.1 The importance of Economic factors when deciding to treat in a hospital

The total mean for patient's agreement toward financial part of Economic factors when deciding to treat in Al-Makassed hospital equal 3.45 (Std. Dev. =1.26) that considered high

agreement. The study conducted by P. Saksena, J. Hsu, D. Evans (2014) showed how households cope with health shocks and the resulting financial consequences which result showed linkages between social protection and financial risk protection and possibility to get health services.

5.3.2The Suitability of Prices

The total mean for patient's agreement toward The Suitability of Prices in Al-Makassed hospital equal 3.40 (Std. Dev. =1.12) that considered high agreement. The results of study conducted by B. Yang, N. Prescott and E. Bae (2001) confirms that inferior income groups and unemployed families are affected greatest by the crisis, as measured by amount of health spending. A distributional impact of the economic crisis on the health sector is also found Whereas the use of medical services by upper income groups is only slightly affected, the lower income groups are spending relatively smaller amounts of money for medical services. For all households, the rate of expenditure decrease is relatively higher for drug expenditures than for medical expenditures.

Comparison between employees results and patients results:

1) The financial situation has recently been affected by the Corona virus, the high cost of treating patients, and the inability to repay debts due to the bad economic situation, so patients have high agreement with (Your financial situation affects your treatment options, Transportation to get to the hospital is expensive, Spending on health services is high).
2) The employees have high agreement with (The cost of health services is higher than the amount of profit because of the high salaries of specialists and the number of days that patient stays is higher compared to government hospitals which leads to high cost; while the patient have high agreement with (I see the prices of health services as good); because they pay a maximum of 10% of the actual cost.
3) The employees have high agreement with all statements (Financial risk negatively affects the continuation of health services provision, financial risk reduces the proportion of drug purchases, financial risk postpones employee salaries, financial risk reduces the quality of health care and financial risk reduces the purchase of medical equipment and supplies, on several occasions, the hospital faced severe shortages of medical equipment and delayed staff salaries for three consecutive months which delayed the course of treatment and surgeries for critically ill patients

while 56.7% of patients have Governmental health insurance. Therefore, very few patients are treated at their own expense.

5.4 Conclusion

The aim of this study was to assess the reality of financial risk management in Palestinian hospitals (Al-Makassed hospital as a case). According to previous results there was a strong positive relationship between financial risk management and hospital's ability to maintain quality and safety of patient's care.

For hospital employees there a moderate agreement with financial dimension and profitability dimension, however, they have high agreement with the effects of financial risk.

For patients high agreement with the importance of Economic factors when deciding to treat in a hospital and the suitability of prices.

The researcher reached several conclusions which are as follows:

1. There is an absence of financial risk management implementation in Makassed Hospital; As all the plans developed by the hospital are devoid of applying any of the financial risk management stages.

2. The hospital's plans focus on development in the medical services aspect, with very little focus on developing the financial and administrative aspect.

3. The hospital administration has set a goal to enable the Palestinian citizen to obtain a high-quality and fast medical service, regardless of the seriousness of his condition and his ability to pay. It also provides treatment for patients referred from the Ministry of Health at low prices (less than cost). Although this goal is humanitarian and supports the steadfastness of the Palestinian citizen on his land, this goal exceeds the hospital's ability to achieve it.

4. Despite the hospital's superiority and excellence in medical terms; However, he suffers from a chronic financial crisis (millions of shekels), which he has not been able to get out of for several years. In fact, the hospital has sometimes reached the point of being unable to pay the employees' salaries. As a result, workers went on strike several times. To

overcome this crisis, the hospital had to borrow from banks. This financial crisis is mainly caused by the provision of treatment at a cost or lower price to the transfers of the Ministry of Health (70% of patients), and the irregular transfers of the funds owed by the Ministry of Health.

5.5 Limitations

1- Corvid 19 virus affect to distribute questionnaires in hospital and selecting study sample can also lead to low response.
2- Time limited to distribute and collected questionnaires.
3- lack of local articles about financial risk management in Palestinian hospitals.

5.6 Recommendations

5.6.1 Recommendations for researchers

To duplicate the study in all other hospitals in Palestine.

5.6.2 Recommendations for policy makers and hospitals' administrations

a. To attract patients treat on private insurance companies to increase cash flows, because the percentage of patients treated with private insurance is only 30%.
b. Continuously consulting an external financial expert to discuss the worsening financial crisis in Al-Makassed Hospital and find solutions.
c. For the authority to allocate a higher budget to the health sector to pay off debts, because this has many consequences.
d. Invent policies on national level about financial risk management in hospitals that are consistent with laws and regulations.
e. Applying corporate governance rules which is : Transparency, Fixing the responsibilities and accountability for every employee in the hospital according to his responsibilities.
f. To achieve transparency and clearance there should be very developed reporting system as risk management is right information at right time.

g. Establishing departments for financial risk management with highly qualified people working in.

h. Invent clear policies about financial risk status.

i. To include financial risk status and policies in educational programs for hospitals employees.

j. Continuous and deliberate attempt to discover weaknesses and control them.

k. Investing in opportunities well, in a deliberate and organized manner, because of their importance to the continuity of the hospital and achieving its goals.

l. Emphasis on the existence of alternative plans to the main strategic plan in case of its failure and the presence of individuals capable of implementing it.

m. Develop strategies and procedures to periodically review and evaluate the institutional performance of the hospital.

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Apendieces:

جامعة القدس
Al-Quds University

عمادة الدراسات العليا

تخصص إدارة الأعمال

استبانة

تقوم الباحثة بإعداد دراسة بعنوان: **" واقع إدارة المخاطر المالية في المستشفيات الفلسطينية(حالة مستشفى المقاصد) "**؛ استكمالاً لمتطلبات الحصول على درجة الماجستير في تخصص إدارة الأعمال من كلّيّة الدّراسات العليا في جامعة القدس. لذا يرجى من حضرتكم التكرم بقراءة هذه الاستبانة والإجابة عليها، علماً بأن كل ما يرد في إجابتكم سيكون موضع احترام وتقدير، وسوف يعامل بسرية تامة ولن يستخدم إلا لأغراض البحث العلمي. وبناءً عليه لا داعي لكتابة الاسم او أي معلومات شخصية تدل على شخصكم الكريم. وسوف نزودكم بالنتائج التي تتوصل إليها هذه الدراسة إن رغبتم بذلك. شاكرين لكم حسن تعاونكم.

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اولا : البيانات الديموغرافية :

الرجاء وضع (×) امام الاجابة الصحيحة :

1A - الجنس : 1) ذكر ☐ 2) انثى ☐

2A- الحالة الاجتماعية: 1) اعزب/عزباء ☐ 2) متزوج/ة ☐ 3)منفصل/ة ☐

3A- العمر :

4A- المستوى التعليمي :

1) دبلوم ☐ 2) بكالوريوس ☐ 3) دراسات عليا ☐

5A- التخصص:

1) ادارة أعمال ☐ 2) محاسبة ☐ 3) اقتصاد ☐ 4)غير ذلك ☐

6A- عدد سنوات الخبرة :

7A- المنصب الوظيفي :

1) مدير اداري ☐ 2) مدير مالي ☐ 3) موظف ☐

ثانيا : البعد المالي

B	البيان	غير موافق بشدة	غير موافق	محايد	موافق	موافق بشدة
B1	يتم استغلال الموارد المالية المتاحة بشكل يؤدي إلى تحسين وتطوير أداء المستشفى.	1	2	3	4	5
B2	تعمل الإدارة على توفير مصادر تمويل تؤدي إلى تطوير المستشفى.	1	2	3	4	5
3B	يسعى المستشفى إلى ضبط المصروفات غير الضرورية والتي لا تساهم بشكل فعال في تحسين جودة الخدمات الطبية المقدمة.	1	2	3	4	5
B4	يعمل المستشفى بشكل مستمر على تحسين عائداته المالية.	1	2	3	4	5
B5	يعمل المستشفى بشكل مستمر على وضع خطط لتفعيل الاستفادة من الإيرادات.	1	2	3	4	5
B6	يعمل المستشفى على زيادة عائداته من خلال فتح أقسام جديدة أو تقديم خدمات جديدة.	1	2	3	4	5
B7	يلتزم المستشفى بمبدأ كفاءة العمليات الشرائية (الشراء بعروض أسعار).	1	2	3	4	5
B8	تقوم إدارة المستشفى بمراجعة الموازنة المعتمدة بشكل دوري لضبط الانحرافات ومعالجتها.		2	3	4	5
B9	يتم إعداد التقارير المالية بشكل دوري بما يحقق فعالية الأداء المالي.	1	2	3	4	5
B10	يوجد مؤشرات مالية محددة يتم الاعتماد عليها لقياس الأداء المالي.	1	2	3	4	5
B11	يتأثر الوضع المالي للمستشفى سلبا بالأزمات الاقتصادية التي يمر بها القطاع الصحي الفلسطيني.	1	2	3	4	5

ثالثا: الربحية

C	البيان	غير موافق بشدة	غير موافق	محايد	موافق	موافق بشدة
C1	.الربح التشغيلي في وضع جيد	1	2	3	4	5
C2	. العائد على الأصول مقبول	1	2	3	4	5
C3	صافي الأصول مرتفع.	1	2	3	4	5
C4	.كفاءة استخدام الأصول في المستشفى مرتفعة	1	2	3	4	5
C5	الانفاق الرأسمالي مرتفع.	1	2	3	4	5
C6	معدل تحصيل الفواتير مرتفع.	1	2	3	4	5
C7	الرعاية المجانية قليلة .	1	2	3	4	5
C8	تكلفة الخدمات الصحية أعلى من مقدار الربح .	1	2	3	4	5

رابعاً : تأثيرات الخطر المالي

D	البيان	غير موافق بشدة	غير موافق	محايد	موافق	موافق بشدة
D1	. الخطر المالي يؤثر سلبا على استمرار تقديم الخدمات الصحية	1	2	3	4	5
D2	.الخطر المالي يقلل نسبة شراء الأدوية	1	2	3	4	5
D3	الخطر المالي يؤجل تسديد رواتب الموظفين.	1	2	3	4	5
D4	.الخطر المالي يقلل من جودة الرعاية الصحية	1	2	3	4	5
D5	الخطر المالي يقلل من شراء المعدات والمستلزمات الطبية.	1	2	3	4	5

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عمادة الدراسات العليا

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3A- العمر :

4A- المستوى التعليمي :

1) ثانوية عامة او اقل ☐ 2) دبلوم ☐ 3) بكالوريوس ☐ 4) دراسات عليا ☐

5A- المهنة :

1) طالب/ة ☐ 2) عاطل عن العمل 3) موظف/ة قطاع عام ☐ 4) موظف/ة قطاع خاص ☐

5) أعمال حرة ☐

6A- هل لديك دخل : 1) نعم ☐ 2) لا ☐

7A- إذا كانت إجابتك نعم ما هو الدخل الشهري/شيكل :

1) أقل من 2500 ☐ 2)2500-4000 شيكل ☐ 3) 4001-6000 شيكل ☐ 4) أكثر من 6000 ☐

8A- نوع التغطية المالية لتكاليف العلاج في المستشفيات :

1) على حسابك الشخصي ☐ 2) تأمين صحي حكومي ☐ 3) تأمين صحي خاص ☐

9A- إذا كانت تغطيتك المالية على حسابك الشخصي فما هي طريقة الدفع:

1) نقداً ☐ 2) شيكات ☐ 3) تعهد مالي ☐

ثانيا :العوامل الاقتصادية المؤثرة في قرار العلاج :

بين مدى موافقتك على أهمية العوامل التالية عند اتخاذ قرار العلاج في مستشفى :

B	البيان	غير موافق بشدة	غير موافق	محايد	موافق	موافق بشدة
B1	يؤثر وضعك/ي المالي على خياراتك في العلاج.	1	2	3	4	5
B2	المواصلات للوصول للمستشفى مكلفة.	1	2	3	4	5
B3	الانفاق على الخدمات الصحية مرتفع.	1	2	3	4	5
B4	الانفاق على الأدوية مرتفع .	1	2	3	4	5
B5	مبيتك في المستشفى يتطلب مصاريف شخصية عالية.	1	2	3	4	5
B6	تلجئ أحيانا لشراء الدواء من الصيدلية بدلاً من الذهاب للعلاج في مستشفى بسبب الوضع المادي.	1	2	3	4	5

ثالثا: ملاءمة الاسعار

C	البيان	غير موافق بشدة	غير موافق	محايد	موافق	موافق بشدة
C1	من الضروري اشتراكي في تأمين صحي حكومي أو خاص.	1	2	3	4	5
C2	أرى أن أسعار الخدمات الصحية موافقة لجودته.	1	2	3	4	5
C3	أرى أن سياسة التسعير التي تقوم بها المستشفى ملائمة.	1	2	3	4	5
C4	مستوى الأسعار هو الذي دفعني إلى المجيء هنا.	1	2	3	4	5
C5	أرى أن أسعار العمليات الجراحية مرتفعة.	1	2	3	4	5

Employee Questionnaire

First : Demographic data

Please put (x) in front of correct answer:

A1- Gender : 1) Male ☐ 2) Female ☐

A2-Marital status: 1) Single ☐ 2) Married ☐ 3) Divorced ☐

4) Widowed ☐

A3- Age

A4: Educational level : 1)Diploma ☐ 2) Bachloeos ☐

3) Post graduate ☐

A5- Education: 1) Business Administration ☐ 2) Accounting ☐

3) Economics ☐ 4)Other ☐

A6-Years of experience

A7- Job Position : 1)

Second: the financial dimension

B		Strongly Disagree	Disagree	Neutral	Agree	Agee Strongly
B1	The available financial resources are used to improve the hospital's performance.	1	2	3	4	5
B2	The administration works to provide funding sources that lead to the hospital's development.	1	2	3	4	5
B3	The hospital seeks to control unnecessary expenses that do not contribute effectively to improving the quality of medical services provided.	1	2	3	4	5
B4	The hospital works continuously to improve its financial returns.	1	2	3	4	5
B5	The hospital is working continuously to develop plans to activate the utilization of revenues.	1	2	3	4	5
B6	The hospital works to increase its revenues by opening new departments or providing new services.	1	2	3	4	5
B7	The hospital is committed to the principle of efficient procurement (purchase with quotations).	1	2	3	4	5
B8	The hospital administration periodically reviews the approved budget to control and treat	1	2	3	4	5

	deviations.					
B9	**Financial reports are prepared periodically to achieve effective financial performance.**	**1**	**2**	**3**	**4**	**5**
B10	**There are specific financial indicators that can be relied upon to measure financial performance.**	**1**	**2**	**3**	**4**	**5**
B11	**The hospital's financial condition is negatively affected by the economic crises that the Palestinian health sector is going through.**	**1**	**2**	**3**	**4**	**5**

Third: profitability

C		**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Agee Strongly**
C1	**Operating profit is in good standing.**	**1**	**2**	**3**	**4**	**5**
C2	**Return on assets is acceptable.**	**1**	**2**	**3**	**4**	**5**
C3	**Net assets are high.**	**1**	**2**	**3**	**4**	**5**
C4	**The hospital asset utilization efficiency is high.**	**1**	**2**	**3**	**4**	**5**
C5	**Capital spending is high.**	**1**	**2**	**3**	**4**	**5**
C6	**The bill collection rate is high.**	**1**	**2**	**3**	**4**	**5**
C7	**Few free patient treatment**	**1**	**2**	**3**	**4**	**5**
C8	**The cost of health services is higher than the amount of profit.**	**1**	**2**	**3**	**4**	**5**

Fourth: Effects of financial risk

		Strongly Disagree	Disagree	Neutral	Agree	Agee Strongly
D1	**Financial risk negatively affects the continuation of health services provision.**	**1**	**2**	**3**	**4**	**5**
D2	**Financial risk reduces the proportion of drug purchases.**	**1**	**2**	**3**	**4**	**5**
D3	**Financial risk postpones employee salaries.**	**1**	**2**	**3**	**4**	**5**
D4	**Financial risk reduces the quality of health care.**	**1**	**2**	**3**	**4**	**5**
D5	**Financial risk reduces the purchase of medical equipment and supplies.**	**1**	**2**	**3**	**4**	**5**

Patient Questionnaire

First : Demographic data

Please put (x) in front of correct answer:

A1- Gender : 1) Male ☐ 2) Female ☐

A2-Marital status: 1) Single ☐ 2) Married ☐ 3) Divorced ☐

4) Widowed ☐

A3- Age

A4- Educational level:

1)High Diploma (2 ☐

school or lower

☐ Bachelors ☐ 4) Post graduate(3

A5- Occupation:

1)Student ☐ 2) Unemployment ☐ 3) Public sector employee ☐

4) Private sector employee ☐ 5) Free business ☐

A6- Do you have an income : 1) Yes ☐ 2) No ☐

A7- If your answer is yes, what is the monthly income / NIS :

1) 2500 or less ☐ 2) 2500-4000 ☐ 3) 4001-6000 ☐

4) 6000 or more ☐

A8- Type of financial coverage for hospitalization costs :

1) Self-payment ☐ 2) Governmental health insurance ☐

2) Private health insurance ☐

A9- If your financial coverage is on your personal account, what is the method of

payment:

1) Cash ☐ 2) Checks ☐ 3) Financial pledge ☐

Second: Economic factors affecting the treatment decision:

Show your agreement with the importance of the following factors when deciding to treat in a hospital:

B		Strongly Disagree	Disagree	Neutral	Agree	Agee Strongly
B1	Your financial situation affects your treatment options.	1	2	3	4	5
B2	Transportation to get to the hospital is expensive.	1	2	3	4	5
B3	Spending on health services is high.	1	2	3	4	5
B4	Spending on medicines is high.	1	2	3	4	5
B5	Staying in the hospital requires high personal expenses.	1	2	3	4	5
B6	Sometimes you will resort to buying medicine from a pharmacy instead of going for treatment in a hospital due to the financial situation.	1	2	3	4	5

Third: the suitability of prices

C		Strongly Disagree	Disagree	Neutral	Agree	Agee Strongly
C1	It is necessary to have governmental or private health insurance.	1	2	3	4	5

C2	**I see the prices of health services as good.**	**1**	**2**	**3**	**4**	**5**
C3	**I see the pricing policy of the hospital Relevance.**	**1**	**2**	**3**	**4**	**5**
C4	**It was the price level that drove me to come here.**	**1**	**2**	**3**	**4**	**5**
C5	**I see the prices for surgeries are high.**	**1**	**2**	**3**	**4**	**5**

Annex : The names of the arbitrators of the study tool (the questionnaire)

1. Dr. Orouba AlBarghouthi : Assistant Professor/Al-Quds University.
2. Dr.Salwa AlBarghouthi : Assistant Professor/Al-Quds University.
3. Dr.Ziad Qnaam: Assistant Professor/Al-Quds University.
4. Dr.Kareema AlMadhoun: Assistant Professor/Al-Najah University.
5. Dr.Hasan AlSa'doni: Assistant Professor/Palestine University,Gaza
6. Jamal AlDaqaq: Financail director/ AlMakassed hospital

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