

## Medicine Inventory Management Practices in Floating Hospitals in Indonesia



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**ABSTRACT:** The purpose of the study is to discuss the challenges and organizational differences in pharmaceutical procurement between RSA dr. Lie Dharmawan and RSA Nusa Waluya II. RSA dr. Lie Dharmawan faces issues such as insufficient human resources and overlapping roles, resulting in ineffective organizational structure implementation. In contrast, RSA Nusa Waluya II has a well-structured organization with clearly defined roles and responsibilities. The pharmaceutical procurement process at RSA dr. Lie Dharmawan suffers from an imprecise timeline schedule, complicating medicine classification. doctorSHARE's healthcare services adhere to its internal policies, ensuring accessible and affordable healthcare aligned with its standards. Although internal controls were established from the beginning, program evaluations are informally conducted, lacking a formal review process. At RSA dr. Lie Dharmawan, task segregation is inadequate, particularly in pharmaceutical procurement, classification, and stocktaking, which are not managed by a pharmacist despite the use of an ERP system. In terms of financial transparency and accountability, doctorSHARE performs well, with financial reports separated by funding sources and accountability to donors maintained through specific reporting formats. doctorSHARE undergoes audits by donors, including UNICEF and UNFPA, and has established internal audits and annual external audits to ensure financial transparency and integrity.

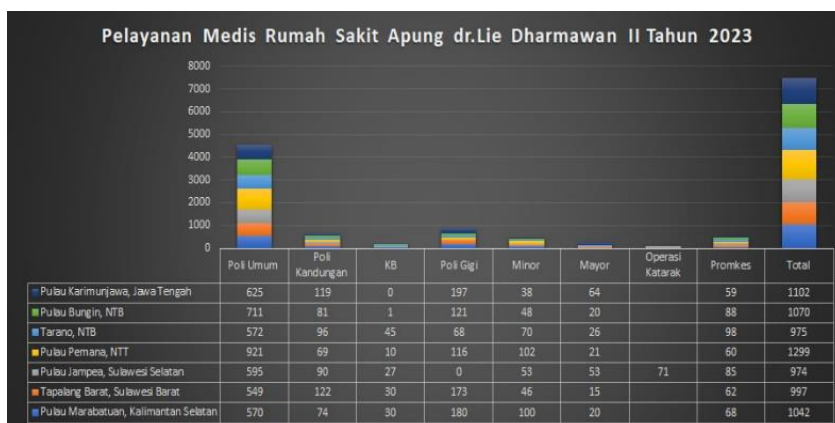
**KEYWORDS:** medicine inventory, healthcare, internal control, floating hospital

### I. INTRODUCTION

Indonesia as a maritime country has more than 17,000 islands spread along the Khalistiwa Sea, with a water area of around 3.25 million Km<sup>2</sup> making Indonesia one of the largest archipelagic countries in the world. In addition to the biodiversity of Indonesia's oceans and the important role of fishermen in opening business opportunities in foreign countries. Over the years, maritime issues in Indonesia have often been linked to various issues including the health of fishermen and coastal communities. Health in this case is sanitation, marine pollution, and infectious diseases that can occur due to several things such as the lack of education from island communities in maintaining health and creating a healthy environment. Talking about health does not escape in terms of health access, namely health facilities, health workers, and the availability of medicines, all of which are based on government policies. In mediaindonesia.com quoted from the website of the Indonesian Medical Council, the number of doctors in Indonesia is 262,369 doctors (general practitioners, dentists, and specialists), of which more than 90% are placed on the islands of Java, Sumatra, and other large islands in Indonesia. There are 8 island provinces (Bangka Belitung Islands, Riau Islands, Maluku, North Maluku, NTB, and NTT, Southeast Sulawesi, and North Sulawesi) where the number of doctors is only about 6.04% (15,346). Seeing from the data above and the challenges in the maritime world that exist related to access to health in the 3T area is still difficult to reach, seeing this condition made dr. Lie Agustinus Dharmawan moved to pick up the ball by building the first private Floating Hospital in Indonesia which is managed by the Dokter Peduli Foundation better known as doctorSHARE. This Floating Hospital aims to pick up the ball and break the stigma that "Health is Expensive". Since 2013 this Floating Hospital has had a very important role for the people of the 3T area, reported on the website [www.doctorshare.org](http://www.doctorshare.org) RSA currently has 2 ships, namely RSA Nusa Waluya II in the form of a barge and RSA dr. Lie Dharmawan II until now in 2024 has served 203 500 250 patients. This RSA also has operational standards that are the same as type C hospitals which of course are inseparable from the orientation of health services to patients, administration of medicines, and medicine supplies, therefore Pharmacy services play a full role in Floating Hospital Services. Pharmacy has such an important role in managing medicine supplies, the entry and exit of medicines all come from Pharmacy.

Based on Table 1 below, the following patients have been served for the period 2023 by dr. Lie Dharmawan II Floating Hospital:

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This medical service can be seen from the sub-location which focuses on the 3T area where access to health in the area is classified as a remote area. This Floating Hospital has provided services to the island community of approximately 1,000 patients in each region specifically for RSA dr. Lie Dharmawan II.

Based on Permenkes No. 58 of 2014 concerning Pharmaceutical Service Standards in Hospitals in article 1 point 3 Pharmaceutical Services is a direct and responsible service to patients related to pharmaceutical preparations to achieve definite results to improve the quality of human life and article 3 paragraph 2 related to the management of pharmaceutical preparations, medical devices, and consumable medical materials. In this case, it is necessary to carry out internal controls related to pharmacy, both from the procurement of medicines and medical devices, as well as the process of dispensing medicines to patients through pharmacies. Looking at the Annual Report released on the doctorSHARE website, the biggest cost in the Floating Hospital operation besides fuel is the procurement of medicines and medical devices and the cost of shipping medicines and medical devices.

According to (Fahmi Oemar & Susanti, 2023) The main activity of a hospital is to sell treatment services, but the treatment of patients will not be maximized if the hospital's medicine supply is incomplete. Medicine supplies are very important in supporting hospital operations, not stopping there, the accountability of the hospital will be seen from the medicine supply system by medicine management standards. Given that RSA is under the auspices of an NGO (non-government organization) where all activities carried out must be accounted for by the donor in running the program.

Large medicine inventories have many risks including medicine expiration, the feasibility of the quality of the medicine, and for medical equipment available at RSA needs to be maintained or calibrated. In accounting, there needs to be internal control related to the stock. What kind of system is this medicine dispensing, and what kind of scheme in medicine procurement and medicine storage standards? According to Aniati, (et al, 2023) the maximum application of internal control in hospitals makes management ready to face rapid economic changes and is good in terms of competition. With good internal control, the management of finished stock will be more structured to minimize errors that will occur such as miscalculations, there is a difference between the prescription issued and the data owned by the pharmacist.

## LITERATURE REVIEW

### Medical Services

(Risma & Arif Rijal, 2022) Medical services are one of the public services that have basic philosophical values as well as provisions based on applicable regulations. Floating Hospital medical services, which are currently owned by doctorSHARE, provide services in 3T areas. Where the Floating Hospital is nomadic or not permanent, RSA provides medical services for 5-90 days. With this concept of picking up the ball, RSA continues to move to 3T areas to provide access to health to people in certain areas. This RSA service does not only serve general poly but can provide services such as Major and Minor operations and all of these activities are carried out on the Ship.

Talking about RSA cannot be separated from the ship of course, following the Regulation of the Minister of Transportation No. PM 45 of 2012 concerning the Management of Ship Safety Inspection and Certification where ships are required to carry out periodic docking for inspection of ship parts, usually for regular docking is carried out once every 2 years. Not stopping there, every ship moves, of course, we need to process other marine administration such as sailing permits, inspections, or other supporting certificates related to ship safety. Procurement of gasoline/diesel as ship fuel is also important as is the procurement of medicines where the crew members oversee monitoring the fuel supplies owned on the ship to support the operation of this RSA. The human resources who play a role in this Health Service are not only health workers, but the crew members have an

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important role in ensuring that this health service runs well. This is what makes a difference from other public hospitals, where crew members are not involved in providing health services.

Related to the Floating Hospital permit which was recently inaugurated by Mr. Budi Sadikin as the Minister of Health, namely Permenkes No. 33 of 2023 decided on the Hospital Ship explaining related services that can move from one location to another, related to accreditation, health workers, patients, etc. Along with this regulation, the RSA established by doctorSHARE finally received official permission from the Ministry of Health to operate health services.

### Inventory Recording System

According to (Sofwan, 2020) The management of medicines and consumable medical materials is one of the pharmaceutical service activities, which starts from planning, requesting, receiving, storing, distributing, controlling, recording, and reporting as well as monitoring and evaluation. The aim is to ensure the continued availability and affordability of efficient, effective, and rational medicines and consumables.

According to (Hariati, 2018) The types of inventories will differ according to the field or normal business activities of the company. Based on the company's line of business, industrial companies (manufacturing), trading companies, or service companies can be formed. For industrial companies, the types of inventories owned are raw material inventory, work in process, finished goods inventory, and auxiliary materials that will be used in the production process. Judging from the type of business of this RSA is a hospital, so the supplies in question are medicines and medical devices.

In inventory, all possibilities can occur such as loss and theft are very likely to occur in goods. Therefore, internal control of inventory is needed to be able to protect the medicine inventory and make inventory information much more reliable. Observation measures can be taken to prevent damage, theft, and other irregularities.

Discrepancies in recording often occur where inventory records may differ from the actual inventory in the warehouse due to damage, errors, or other recording errors. And because the activity in and out of medicine is quite frequent, so the inventory must be checked regularly based on the inventory records that have been calculated correctly.

Seeing that the medical services carried out by the Floating Hospital change locations every three months or even per month, it requires serious control considering that each medical service has different donors with diverse needs in terms of program reporting. Accuracy in recording medicine supplies in and out is very important. If good recording and good control are carried out, it will certainly make it much easier to provide accountability reports to donors.

### Inventory Recording Method

According to IAI in PSAK No. 14 of 2014, namely inventory must be measured based on cost or net value where the lower cost and realizable value. Net realizable value is the estimated selling price during business or trade less estimated costs necessary for the business and estimated completion costs. There are two methods of recording inventory, namely, The Book Inventory Method (Perpetual) is a recording carried out by creating accounts in the books separately for each inventory. In this method, the accounts used are purchase, sales, and inventory balance accounts. The Physical Inventory Method (Periodic) is recording based on the calculation of goods related to inventory at the end of the accounting period such as monthly or annually. In this method, purchase and sales transactions are recorded in the journal, but the stock of goods is not updated regularly.

### Presentation of Financial Statements

(Evi Yuanita & Bambang Suropto, 2022) Another phenomenon is the revocation of PSAK 45 and the implementation of ISAK 35 since January 1, 2020, which requires non-profit organizations including NGOs to present reports according to the provisions of ISAK 35. The issuance of foundation legislation No. 28 of 2004 and law No. 14 of 2008 concerning public information disclosure requires NGO accountability and transparency. In this case, NGOs can be said to be accountable, namely by being able to present reports fairly and transparently by existing regulations. Related to NGO funding, namely Restricted and Unrestricted, which is seen from the cooperation agreement with the donor. One of the donor assessments to provide funds/grants to an NGO is by looking at the presentation of the financial statements. After the cooperation takes place, one form of NGO accountability to the donor is the financial report of the results of the activities that have been implemented. In this case, if an NGO can present accountability financial statements, it can provide a positive image for the IP or NGO. In connection with this, it does not rule out the possibility that the NGO's cooperation will continue to be extended to implement a program. In connection with that at the end of the year, an NGO will issue a Final Report which is a form of accountability to donors who have donated to the NGO in this way by the provisions of ISAK 35, namely presenting reports transparently. In terms of presenting financial statements, it is not uncommon for some NGOs to also conduct an External Audit to assess the fair presentation of the report.

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### Internal Control

According to (Awaluddin & Lestari Labangu, 2023) Internal control is the use of all company resources to improve, direct, control, and supervise various activities to ensure that company goals are achieved. In his book Committee of Sponsoring Organization (COSO) (2013) defines internal control as follows: "Internal control is a process, affected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance". The definition of internal control according to COSO, it can be understood that internal control is a process affected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives relating to operations, reporting, and compliance. Based on the Committee of Sponsoring Organization (COSO) (2013) there are 5 main elements (components) of internal control that are interrelated, The Control environment is the foundation of an organization which includes several factors including ethical integrity, board of commissioners and audit committee, company commitment and management philosophy and operating style. Risk Assessment In assessing risk there are various factors, namely external and internal, there are several possibilities that will occur to be able to assess risk. Information and Communication (Information and Communication) information part of the data owned by an organization to be identified and used efficiently and effectively and can be used appropriately. Control Activities (Control Procedure) This control consists of the separation of duties and control of the information system. This activity is preventive or detective in nature which includes various manual and automated activities. This control system has 2 aspects, namely General Controls and Application Controls. Monitoring An activity that is not going as expected and can be decided as soon as possible. Monitoring includes determining the design and operation of controls promptly and taking corrective action which is carried out continuously. Internal control aims to direct the activities to be achieved effectively, efficiently, and economically. Various sources can be used and protected such as reliable and presented data and reports with all applicable regulations to be obeyed. Internal control in medicine Management Practices can produce accurate medicine inventory data if the components have been implemented effectively, in this case, it can produce good inventory information.

### Previous Research

(Awaluddin & Lestari Labangu, 2023) The purpose of this study was to determine the application of the internal control system at the Tiworo Islands District Health Center. The results showed that the implementation of the internal control system for the supply of medicines at the Tiworo Islands Sub-District Health Center was effective because it had implemented the internal control environment component assessed based on the COSO Internal Control Framework. First, the control environment has been implemented well by implementing Standard Operating Procedures (SOPs) in managing the supply of medicines. Second, risk assessment is good enough by doing stock-taking periodically every month. Third, Control activities are quite good as seen from the use of printed serial numbers on LPLPO documents, SBBK, and stock-taking documents. Fourth, Information and communication are good with the existence of manual and computerized systems. And fifth, Monitoring is good by doing stock-taking periodically every month. (Astutik et al., 2022) This research focuses on analyzing the internal control policy of medicine supplies at the pharmaceutical installation of Waluyo Jati Hospital. The results of this study indicate that the internal control policy of pharmaceutical installation medicine supplies at RSUD Waluyo Jati Kraksaan has implemented the practice of internal control policies and has not been well documented. However, evaluation of internal control policies is carried out without adequate documentation. Internal control policy aims as a tool to oversee the process of Internal control policy on pharmaceutical installation medicine supplies so that hospital goals can be achieved. This research is the first research conducted on the management of pharmaceutical supplies at RSUD Waluyo Jati Kraksaan using the SPIP framework.

Fahmi Oemar & Susanti, 2023) This study aims to analyze and explain the application of internal control system elements to the provision of medicines to patients using BPJS Health at the Arifin Achmad Regional General Hospital, Riau Province. The results of this study indicate that there is a determination and authority of responsibility for recording debts that are still handled by the procurement party who should have duties and responsibilities as part of the accounting department, resulting in separation of duties and double.

(Cecilia Martínez, 2023) This study aims to present the results of a survey conducted before and after the implementation of an asset control system in a Mexican Ministry. The findings show significant improvements in key aspects of asset management. Before implementation, there were challenges in the receipt of goods, with frequent errors and a lack of consistency in recording assets. However, after the implementation of the system, there was a significant reduction in errors, with 95% of respondents stating this was an improvement. In addition, the system had a positive impact on efficiency, with 85% of respondents reporting an increase in the efficiency of goods distribution and 75% indicating a decrease in operational costs. Communication with suppliers became more efficient, and the number of personnel involved in the asset management process decreased significantly.

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(Kritchanchai et al., 2019) This study aims to explore operations in this healthcare supply chain, material, and information flow between players at two levels, macro and micro perspectives. The result of this study is to find that healthcare supply chain efficiency can be achieved at 2 levels, namely the supply chain level and the company level. The main concerns of organizations at both levels are process efficiency and patient safety.

Based on previous research, what distinguishes this research from previous research is the object of research conducted at the Floating Hospital and the difference in services provided by this Floating Hospital has a novelty when compared to Regional General Hospitals or other Conventional Hospitals so that internal control in this RSA needs to be studied further, where this RSA is one of the doctorSHARE programs as a non-profit organization and is also related to the accountability of the presentation of financial statements and accountability.

### RESEARCH METHODS

The research was conducted at Floating Hospitals in Indonesia, represented by the NGO doctorSHARE as the pioneer of the first Floating Hospital in Indonesia. This research uses a qualitative approach, namely research that is carried out descriptively to find out and describe the reality of the events being studied so that it makes it easier for researchers to obtain objective data objects to find out the internal control system related to medicine supplies at Floating Hospital. Primary data is obtained directly from the source or first party. In this study, data was obtained from interviews conducted by researchers directly with the Floating Hospital Coordinator, Finance and Accounting Manager, and Managing Director in charge of the Dokter Peduli Foundation (doctorSHARE). Conducting observations through websites, online news, etc., followed by conducting interviews by asking questions directly with parties who have roles and functions in the management of this Floating Hospital. The literature study was also carried out by researchers to quote as a reference to discuss the theories that are the basis for discussing problems in this study and to complement the information researchers also quoted some information that could be accessed through internet pages. Conducting observations through websites, online news, etc., followed by conducting interviews by asking questions directly with parties who have roles and functions in the management of this Floating Hospital. The literature study was also carried out by researchers to quote as a reference to discuss the theories that are the basis for discussing problems in this study and to complement the information researchers also quoted some information that could be accessed through internet pages.

### RESULT

Indonesia as a maritime country has more than 17,000 islands spread along the Khalistiwa Sea, with a water area of around 3.25 million Km<sup>2</sup> making Indonesia one of the largest archipelagic countries in the world. Apart from the biodiversity possessed by the Indonesian oceans and cannot be separated from the role of fishermen to make business land to foreign countries. Apart from that, several things are of particular concern to remote island areas related to access to health for island communities as reported on the doctorSHARE website "Financial difficulties and infrastructure access are still one of the main problems faced by our brothers and sisters to get proper health services" so that doctorSHARE is here to provide a little space and access to health services following doctorSHARE's formulary.

As the results of the interview with Mr. Tutuk Managing Director of doctorSHARE "doctorSHARE has it's formulary related to the provision of health services by involving volunteers who have specialties to manage and determine the best service to patients, it can be said that doctorSHARE has a formulary that can be said to be in a generic form which is certainly tailored to the needs of patients based on the diagnoses given by specialists".

Looking at table 1 above, RSA dr. Lie Dharmawan in 2023 has provided medical services to 7 locations in 3T areas in Indonesia and has served 7,459 patients. Quoting an interview conducted with "dr. Dara as the Coordinator of the Floating Hospital dr. Lie Dharmawan that the medical services carried out in this RSA consist of General Poly, Dental Poly, and speciality poly". This ship consists of an OK Room, medicine Storage Room, Female and Male Volunteer Bedrooms, Lab Room, and Crew Room. In carrying out this medical service, dr. Dara is also assisted by Mr. Dedi as Deputy Coordinator of RSA dr. Lie Dharmawan, the crew members who are always on standby on the ship, and finally several health and non-health volunteers who help with the island medical service which is carried out every month for 10 days on each island.

#### Interview Results with Informants.

This interview was conducted using a purposive method of 3 interviewees who were successfully interviewed intensively at Yayasan Dokter Peduli (doctorSHARE). The interviewees who were successfully interviewed intensively were dr. Dara on May 21, 2024, dr. Rosa on June 25, 2024, and Faisal on June 27, 2024.

Interview Results related to the Islands Medical Service.

1. Where is the location of the medical service and how many patients are served in the medical service?

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Answer from informant 1:

"RSA dr. Lie Dharmwan II for this year consists of 8 service locations, namely Naru Island, Benjina Village, Manipa, and West Seram and then proceed to Doi or Dama Island in North Halmahera, in North Maluku. In North Maluku, we have 3, namely Doi Island, then Makian Island, North Obi, and Madapulo Village. Then we continue to Banggai, Banggai Island, then we go to Manui Island, and finally the Sinjai Islands. Our target is 1000 patients per service or location.

Answer from informant 2:

"RSA Nusa Waluya II medical services are carried out on the move for a certain period, especially in Eastern Indonesia in 2023 consisting of the Central Mawasangka area (Kab. Central Buton, Southeast Sulawesi), Larat (Kab. Kep. Tanimbar, Maluku), Seget (Kab. Sorong, Southwest Papua) and for 2024 in the South Misool area (Kab. Raja Ampat, Southwest Papua). Depending on the population density and period of medical services in a location, the average is between 3000-5000 patients."

### 2. What services are available at the Floating Hospital?

Answer from Informant 1:

"General and Specialized Services"

Answer from Informant 2:

"Basic and specialized medical services, ranging from general poly, dental poly, MCH poly, specialist poly (surgery, internal medicine, paediatrics, ob-gyn, heart, neurology, ENT, skin), 24-hour emergency services, 24-hour labour and delivery, laboratory tests, ECG. X-Ray, ultrasound)

### 3. How many health workers or staff serve at the Floating Hospital?

Answer from Informant 1:

"The team from RSA dr. Lie Dharmawan II is divided based on profession, we have a total of up to 22 people. Including actually besides nurses, there are also non-medical personnel, because it is related, for example, to surgical nurses, specialities such as ob-gyn, surgery, anaesthesia, challengers, surgical nurses, general nurses, lab analysts, pharmacists, general practitioners 5-6 people, and media."

Answer from Informant 2:

"The team from RSA Nusa Waluya II totals 32, consisting of 29 medical staff and 3 non-medical staff and there are medical volunteers such as specialists and residents."

### 4. Which diseases are often treated?

Answer from Informant 1:

"The most common diseases, in general, are chronic diseases. Hypertension and cholesterol are the most common. But for example, in terms of surgical procedures, most of them include hernias, lumps, cataracts, and caesareans.

Answer from Informant 2:

"Hypertension, Dyspepsia, Dyslipidemia, Myalgia, ARI, Osteoarthritis, Cataract, Hyperuricemia/ Gout, Arthritis, Gangrene radix, Scabies, Low Back Pain, Diabetes Mellitus Type 2, Otitis Gastroesophageal reflux disease/ GERD, Caesarean and Dermatitis."

Answer from Informant 3:

"Laparotomy, hernia, Sactio Caesarea, Appendix, struma, and many more"

### 5. Obstacles experienced during medical services.

Answer from Indorman 1:

"There are many obstacles from several sides. First, for example, in terms of ships, we must be able to ensure that the ship can lean properly and the depth of the ship. Then in terms of weather, our medical services are also in the regions. So if for example there is extreme weather, strong winds, and rain, it will cause for example the tents that we build for medical services or patient transportation to be constrained. Now in terms of the arrival of patients, we have coordinated from the beginning.

But if the weather is constrained, patients are also constrained to get to our service locations. That's why we always have to make sure that we are central to all locations, especially the islands so that people can access us more easily. Okay, so let's talk about services, sis."

Answer from Informant 2:

"Access to the location is difficult, making it difficult during the medicine delivery process, it is difficult to determine the number of medicines needed when procuring in each location because the needs in each location vary. Such as access to Raja Ampat, which is currently the location of our medical services for transportation here from Sorong, which happens to be only once a week and likewise to return to Sorong as well, and also access to clean water because of the Eastern region clean water is also an obstacle but here we are working with the local head to help supply clean water, then then the signal is also difficult. The weather is also one of the obstacles related to the movement of ships from one port to another, not only for ships but for patients who

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want to do treatment will certainly be constrained not infrequently patients who want treatment to come from other islands to get treatment.

Looking at the location of medical services carried out by RSA dr. Lie Dharmawan and RSA Nusa Waluya II, there are differences in health services in each service.

**Table 2.0**

| Details           | RSA dr. Lie Dharmawan II                              | RSA Nusa Waluya II  |
|-------------------|---|---|
| Services          | 8 locations/year                                      | 3 Locations/Year  |
| Length of Service | 7-10 Days/Location                                    | 60-90 Days/Location   |
| Team              | 30 (Health workers, children, and non-health workers) | 50-60 (health workers, children, and non-health workers)  |
| Type of Disease   | Chronic<br>Hernia<br>Lumps<br>Cataracts<br>Caesar     | Chronic<br>Scabies<br>Low Back Pain<br>Cataract<br>Dermatitis   Laparotomy,   Hernia,   Sactio<br>Caesarea, Appendix, Struma, |
| Obstacles         | Ship Docking<br>Weather<br>Medicine Delivery          | Ship Docking<br>Clean Water<br>Transport<br>Weather<br>Medicine Delivery  |

### Interview Results Related to Medicine Procurement.

1. How is the timing of Medicine procurement determined?

Answer from Informant 1:

"So, before we carry out medical services, we have indeed made a Medicine application. We hope that we can make it to the 8th location to make it easier when we no longer deliver services. Except for certain conditions that require delivery.

To be honest, in each location sometimes we can predict how many patients but we cannot predict how enthusiastic the community is to seek treatment from us, so usually we need 1-2 months before the Medical Service is carried out and related to procurement we use a system so that it is time-based so to make it easier for both the user himself or later the section for medicine supply we also check all submissions based on our records with the system to avoid input or submission errors".

Answer from Informant 2:

"It is usually done 2 months before medical services begin, taking into account the length of the medicine submission administration process, the length of the medicine purchase process plus the estimated length of delivery until the goods arrive at the location".

2. What obstacles occur when procuring medicines?

Answer from Informant 1:

"The obstacles we experience are that if the goods that arrive are not on time, so that the preparation at the beginning is a bit messy, not by the timeline schedule that we have planned so that it is not uncommon to classify it not by the containers that have been classified based on the location of the medical service, we are also constrained by human resources where we are only alone with Mr. Dedi to procure medicines and also communication with related departments also sometimes there is often missed communication so that sometimes not everyone can understand because we need to adjust to the timeline schedule of the Maritime team." (Maritime team).

Answer from Informant 2:

"Access to the location is difficult so it makes it difficult during the medicine delivery process, it is difficult to determine the number of medicines needed when procuring at each location because the needs at each location vary, and the time and length of medical services are uncertain so that the needs that have been estimated at the beginning are sometimes less or even exceed the initial estimate.".

3. How do you maintain or preserve the quality of medicine in medicine storage?

Answer from Informant 1:

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"For medicine storage if the process, we use a system, if the process of goods arriving is on time and also from the beginning arranged because we used a pattern yesterday such as tablets, we used 8 containers that can be classified based on containers for the needs of 8 locations".

Answer from Informant 2:

"Adjusted to the category and needs of each medicine availability, including the storage temperature requirements for each medicine"

4. What is the mechanism for medicine distribution at the Floating Hospital?

Answer from Informant 1:

"Regarding the distribution, it involves both of us with Mr. Dedi, and is assisted by volunteer pharmacists to maintain the entry and exit of medicines from the pharmacy based on the containers that have been arranged and given to patients according to the prescription of medicines obtained from the doctor on duty."

Answer from Informant 2:

"Distribution to patients is carried out through the Pharmacy Room, where patients after being examined can provide prescriptions to the pharmacist on duty, then the pharmacist prepares the medicine"

5. What is the availability of human resources in planning medicine needs at the Floating Hospital?

Answer from Informant 1:

"Limited human resources is still one of the obstacles in the process of planning medicines where there are only two of us so it is a little difficult related to accountability, because the most qualified profession to carry out medicine procurement is the Pharmacist, and until now, we have not been supported by pharmacists who are not volunteers who can help become our core team."

Answer from Informant 2:

"We currently have 3 pharmacists in charge of responsible for planning the medicine needs for RSA Nusa Waluya II"

6. Does the Floating Hospital have a procurement system?

Answer from Informant 1:

"Yes we have a procurement system which is an ERP system"

Answer from Informant 2:

"Yes there is by using ERP"

**Table 3.0**

| Details                     | RSA dr. Lie Dharmawan II   | RSA Nusa Waluya II   |
|-----------------------------|--|--|
| Procurement Timeline        | 3 Months before Medical Services                                   | 2 months before Medical Services                                   |
| Obstacles                   | Timeliness<br>Lack of human resources<br>Miss Communication        | Delivery Access Difficulties<br>Timeliness<br>Prediction Error     |
| Maintenance and Storage     | Classification based on the location of Medical services           | Categorization based on medicine storage needs and temperature     |
| Medicine Distribution       | Administration of medication based on a prescription from a doctor | Administration of medication based on a prescription from a doctor |
| HR Availability             | Limited human resources  | Sufficient human resources   |
| Medicine procurement system | ERP System   | ERP System   |

### Interview Results Related to Internal Control at Floating Hospital

1. Does the RSA organize an ongoing training and mentoring program, and conduct evaluations to ensure that all Health Workers receive training appropriate to the performance of their duties?

Answer from Informant 1:

"Actually, for training, we have also participated in ultrasound training, then had training related to Hospital Administration related to cost control".

Answer from Informant 2:

"Training such as Basic Life Support (BHD), as this is very important for first aid and ultrasound training"

2. Establishment of Organizational Structure related to Internal control

Informant's answer:



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"So we have a mechanism based on RACI (Responsible Accountable Consult Informed), who is responsible, accountable, who consults and informs, so there is such a thing as a RACI diagram, we have a kind of basic competency needed to determine it, which each organization has its own rules because each organization has different needs. So what are the needs of DS? What are the needs elsewhere? In this case for the Floating Hospital, the development strategy for the medical approach, who should be there, there is a quality program level officer, and project manager, so this level must have this capacity, specifically curative.

If we look at the new Ministry of Health which was approved by Mr. Sadikin at the end of 2023, so all this time doctorSHARE has not had a license and already has its standards referring to the curative strategic development.

Answer from Informant:

"Programmatically, because doctorSHARE has been operating since 2009 and we have been playing in Clinical since 2009, doctorSHARE has a medicine formulary, related to when the provision of medicines to carry out land-based medical services such as urban medical services, flying doctor medical services, and floating hospitals exist, and it becomes a budgeting reference. Because we procure medicines, they adjust to the needs and will later be converted into approximately how much it costs. So specifically, where did the doctorSHARE formulary come from? Well, the doctorSHARE formulary is compiled based on the expertise of program managers who are engaged in the medical field and volunteers. So, when we talk, how come we have a formulary for example for ENT? Yes, because we have ENT specialist volunteers. So, each volunteer will determine what the medicine should be. Now the consideration used by the program coordinator and volunteers is that doctorSHARE medical services cannot always be routinely carried out in that one place. Because the location moves, therefore the consideration of the program coordinator and volunteers is that the medicine is of good quality and the price is still within doctorSHARE's reach.

So, it is in line with what you just said that it has certain scoops based on the assessment of the program manager itself, right sir?

"So, the formulary was developed based on the first need, the second, yes the formulary must meet the criteria of quality, affordable price. The definition of affordable is not necessarily the cheapest. Because if we look at the doctorSHARE formulary compared to the BPJS formulary, it is far away. The doctorSHARE formulary uses a lot of patent medicines.

Does each Agency Unit have a mechanism to anticipate, identify, and react to any form of misreporting related to risk assessment?

"Risk management should be inherent in all organizations. The question is how far the organization puts it as a priority, indeed doctorSHARE has only been working in Indonesia for 14 years with all the limitations of references, especially for services in remote areas, this is specifically for risk management, and doctorSHARE himself still needs to develop. So why do I say risk management? I believe in risk management studies, there is not a single study that approves of the services provided by doctorSHARE. Why is that? First, we are sending people to remote areas with limited access. The level of safety also needs to be considered. Limited supply chain. If we talk about risk management in general, no one passes this. But back to the goal? Risk appetite. So indeed doctorSHARE risk appetite is not there. doctorSHARE risk appetite is that we have stated from the beginning that we serve difficult areas. We must be ready for all the risks, right sir? The risk must be increased. In a sense, it is our risk appetite. Now when we talk about such risk options, how do we process them? That's what we must develop. And I think we must learn organizationally; we must learn how we document and manage the risks that we face. So that risk is going to be part of what makes us, what do you call it, step back or not do what we're doing. But in doctorSHARE context, the risks are chosen very well, very carefully, and then we manage them based on the purpose of the organization. If the purpose of the organization is to serve in remote areas, then we must take all the risks that exist in remote areas. Because we, as you said, lack references. So after, even we can know the risk is there when we are living it. That means after we go through it, then we identify it, so that maybe over time, some of the constraints of the risks that we have faced, we know how to do it, how to manage it. When it comes to risk, there are only four choices. We want to adapt, we want to control, we want to avoid, or we want to transfer the risk to others. In the case of doctorSHARE, the choice is that if we can't live with it, we won't do residency services. But if we feel that organizationally we have to be there, then we only adapt and control."

Pulling back on internal controls, do they go hand in hand, to run concurrently?

"Conceptually, internal control should appear in all parts. Because it's part of our accountability. But organizationally, we only developed it this year. And I think this is also not a mechanism that can be generalized like other organizations or other companies. We need to develop it. Because of that, doctorSHARE choice of risk is different. Don't generalize. So if for example we are asked if this medicine is expensive, if we want it to be easy, we just look for a close place. Because we don't have to think about expensive shipping costs. That's just a choice, an organizational choice. So organizationally, we are just building the department. In terms of implementation, it should apply to all departments. Because doctorSHARE conducts its activities and interventions with limited supervision. For example, friends in the head office cannot continuously supervise 24-hour friends who are doing services in remote areas. So, a sense of trust and also responsibility that friends can carry out these activities in their respective areas must

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be given from the start. Now when trust and responsibility are attached to someone, there must also be internal control. That's the rule of thumb, it's just a matter of how we can help our friends in the field with the system guidelines that we have developed such as ERP that can make it easier for them to ensure internal control runs.

Is there any evaluation in running this Floating Hospital?

Informant's Answer 1:

"As for formal evaluations, there are none, but for example, our evaluations, it happens to be only two of us, so we only evaluate together, namely with the Deputy Coordinator and so far, there has been no formal one. Maybe for some in certain conditions that we end up conveying to our superiors, there is, and it is in a stage that is indeed a stage, as an informal complaint or report, which ultimately if it is proven or there are facts, yes, it will be followed up."

Informant 2's answer:

"As for evaluation, it can be, this evaluation while here is more about the medical staff, so like, for example, doctors, we usually evaluate monthly internally, but if the overall program evaluation, there is not yes. I mean, it should be from the head of the program again to supervise the RSA Nusa Waluya II program, but so far there has not been any."

### Interview Results Related to Recording Floating Hospital Financial Statements

1. What is the financial management framework in doctorSHARE?

"So initially the funds are divided into 2, namely restricted and unrestricted funds if the unrestricted funds usually go directly into donations from individuals usually to the doctorSHARE account, there are also those that need to be followed up or further processed or those that need effort in front of the restricted ones. Because doctorSHARE must send a proposal at the beginning, then it has also been determined whether it is for a floating hospital or a clinic and so on, it has been determined at the beginning. So, there are two funds, two types of donations that we manage, unrestricted and unrestricted. The unrestricted ones are usually used to finance the activities that we organize. Which is also partly used to support activities funded by restricted donations. Because not all restricted donations cover expenses. For example, RSA Nusa Waluya II, let's say a floating hospital on a barge, is funded by a restricted donor. Well, that's only half of it, and the other half we take from unrestricted donations. It's also managed if, for example, the restricted donations are more structured than the unrestricted ones. For the bound ones, we have an allocation, as mentioned earlier, there is an allocation for what it is, and the period is also determined. Then some tied donations are audited directly by the donor. We have been audited several times by the UN, UNICEF, and UNFPA. Then for the unrestricted ones, we usually manage them and make an annual report, put it in there, and publish it in the media.

2. Are there any core rules of the NGO's governing body or are the rules set by the NGO?

"All regulations follow PSAK. So, there are no special regulations from the government that require financial reports to be ABC. So, everything refers to the same as accounting reports in general. So, it refers to PSAK, but there is a difference between profit and non-profit companies like this NGO. So, if it's profit, it's profit-seeking, while for non-profit, we don't seek profit. Any remaining donations will be used for the following year's project.

3. What about project finance, does it have a different flow to internal or institutional finance?

"The presentation of the report is of course different. So, we make two reports, one bound and one not bound. So, the bound one is certain that the surplus or deficit will be zero. For the unrestricted ones, there must be a surplus and deficit. If there is a surplus, it is usually returned to the donor.

4. What preparations or activities are carried out by NGOs, especially the finance department, in the budget planning stage?

"Yes, usually the preparation is that we must first know what we want to do, then coordinate with the program team. Then we discussed determining the budget. It depends on what we want to achieve, that's all, from finance and planning, it also refers to last year's budget if the program is similar. Usually, friends in the program do the research. He looks for data on what conditions are happening, especially in Indonesia, what is happening, then he researches. Then after they get the data, they usually conduct a survey. They survey how many patients are there, and then what they need. From there we can dictate what we need. Then also with the survey, we will get a lot of reports related to how we go there, then what is needed there, also what can be helped by the local government. From there we can arrange the budget for what we need, how much it costs to go there, and so on.

The budgeting procedure that has been carried out, which has become a mandate from the doctor himself, what must be prepared usually for preparation, procedures, for example, Mas Faisal had mentioned earlier regarding surveys and others. But is the survey done after or before the budget is made?

"Before the budget is made, because we can make a budget based on the survey results. We cannot budget for something without a survey.

This means that so far, the program has been running we conducted a survey first and then we did the budget planning, right?

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Not all of them, there are also some that we make a budget first based on the information we get. But in the end, the decision related to the budget will happen when we do the survey. So, at the beginning, we estimate, for example, last year we went to Island A. Now we estimate that we haven't had time to survey, for example. Well, we estimate that it is not much different from the previous year. So, the reference is from the previous report that there is a difference, maybe we increase the scale by 10%".

5. How is the cash receipt procedure in this NGO carried out?

"Yes, the procedure was explained at the beginning that donations are divided into two, bound and unbound. For the unbound ones, the money just comes in without us knowing who the person is. Some confirm that I donated. So, we can follow up, we can give a thank you letter. Then yes, we follow up to maintain to send reports on the programs we run to these donors, that's for the unbound ones. Even for those that are bound, at first, we look for information from websites like the United Nations. Then from the UN, there will be more information about whether the UN is working with the COVID program and so on. So, after we look at the website and there is an opportunity they want to do a health program, for example, we send their proposal, what we want to do, for example in Papua or on a remote island. Yes, after we send the proposal, they will usually send feedback to us. So, what we must prepare is a proposal.

This means that after the proposal is released, we still must wait whether the proposal we submitted is accepted or not.

"If accepted, there will be an agreement letter, maybe related to the program that will be run. One program, so if for example it is accepted or not accepted, there must be information from related parties, for example from the UN. They will inform us that we were not selected, for example, to carry out the project that they will run. If, for example, we are accepted, there will be a meeting or discussion with the UN regarding the budget. Then related to what the output will be, and what they want to achieve. So, from there, we will make a budget together. Usually, we coordinate regarding the budget with the UN, for example. Well, that's like the budget they have, and we adjust it. After we have made them approve it, then there is an agreement.

6. Regarding the financial report itself, what is stipulated through the SOP, please explain.

"Regarding whether it is doctorSHARE's operations or cooperation with donors, there is its own SOP. It's not an SOP, but a regulation that is regulated from DS in the process of collaborating with donors. There are no specifics. But in terms of the financial statements themselves, yes, there must be something that regulates that the reports must be separated between tied and unbound donations."

7. What kind of report format is used by NGOs in conducting financial reports?

"doctorSHARE not only provides a report format such as budget vs actual. So, the budget is at the beginning, then the actual is how much, and then the variance is how much. Usually, the variance will be the rest of the actual is under the budget, usually the money is returned. However, these restricted donors usually have their budgets. So, each donor has their budget reporting format. So, we must follow the format of the donor and cannot use doctorSHARE's format.

Earlier it was mentioned regarding audits, does doctorSHARE itself have an External Audit?

"Yes, we are routinely audited every year by external auditors and now there are also internal auditors"

What is usually audited related to financial statements or other things?

"Financial statements, yes just financial statements, the name of the audit is financial statements, except for internal auditors, which can be broad in scope like the others.

This means for the program so far there has been no specific audit, right?

"Nothing yet"

## CONCLUSION

Based on the results of interviews that have been conducted related to medicine management practices at this Floating Hospital, so far management has not been carried out optimally in this case several factors are still not running properly, namely in terms of medicine procurement, it can be seen from the high level of ship movement to carry out medical services within 1 year where RSA dr. Lie Dharmawan II must move to 8 locations spread across several islands, especially in the East. The delay in procurement time from the logistics team makes the timeline that has been set by the RSA dr. Lie Dharmawan II team to be able to classify medicines according to containers based on medical services locations, not on the schedule. Another obstacle is experienced in the lack or limited human resources in this case to manage the Pharmacy where there are multiple roles / multiple positions in carrying out the functions and tasks carried out. Not only medicine management but other obstacles in carrying out this medical service, the weather is also one of the obstacles that cannot be predicted considering that the RSA's operations also depend on the Ship, where the ship's berthing position needs to be considered so that it can dock properly. Related to this medical service, the high enthusiasm of residents in welcoming medical services on these islands until now within 1 year RSA dr. Lie Dharmawan was able to serve 7,459 patients. Therefore in the interview with dr. Dara said "That's why we always have to make sure that we become the centre of all locations, especially the islands so that the community is also easier to access us" looking at the areas

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that have been served or even those that have been scheduled to carry out medical services, it can be seen that RSA dr. Lie Dharmawan provides services to remote areas where the area does not have a hospital, even though the obstacles it has do not hinder this service process from continuing to move every month. In contrast to RSA Nusa Waluya II related to Medicine Management Practices, RSA Nusa Waluya has 3 pharmacists who are tasked with managing medicines, processing procurement, and conducting stock-taking. In terms of human resources, RSA Nusa Waluya II is already more robust for the defense of pharmacists, but obstacles are still experienced by the RSA Nusa Waluya II team, namely in terms of shipping goods which are difficult to get a definite point to send medicines. Medical Services carried out by RSA Nusa Waluya II are much more complex seeing from the size of the ship alone is much different, with a barge as the results of my interview with dr. Rossa "because we have an operation so for the SOP we do care on the ship and currently there are 24 beds available on the ship, so indeed almost 80% of the inpatients are always postoperative patients that we are new inward patients oh 80%." In terms of medical services such as not escaping the role of the government of course in supporting the sustainability of this program can be run well by Mr. Tutuk Managing Director of doctorSHARE "Yes, so to ensure that a program can run, it must be ensured that there is an element of ownership. Ownership is ownership. Well, who owns the program? who owns the program should not be doctorSHARE, who owns the program should be the community or patients who need doctorSHARE services. So, to ensure ownership, assurance is needed, and certainty and certainty comes from where the local government and community leaders are. So, the function of community leaders and the local government in this case can be represented by the health office to ensure that the program is present in an area not only as a doctorSHARE program but also as a program of the local government. That's the first one, ownership. The second is sustainability, we will always talk about sustainability, indeed in practice doctorSHARE is not able to provide frequent services, yes it can be periodic with the concept of a ship hospital, but not yet the hope is that when cases are found that do require referrals, which do require further treatment, after the intervention carried out by doctorSHARE, the local government in this case through the puskesmas through the RSUD can continue, well that's the real concept of sustainability. So, the medical service does not stop when the ship leaves. However medical services can still run for patients who still need medical services. So, it can be concluded that related to the procurement of medicines for RSA dr. Lie Dharmawan is lack of human resources and concurrent positions in the organizational structure is still not well implemented in contrast to RSA Nusa Waluya II which already has an organizational structure according to the functions and responsibilities of the profession. Related to the procurement of medicines from RSA dr. Lie Dharmawan is a timeline schedule that is still not on target, making it difficult to classify medicines. Related to health services, doctorSHARE has a medicine formulation by the policies owned by doctorSHARE by the organization's ability to provide affordable access to health with the standards of doctorSHARE itself.

Internal control has been established since the beginning but has not been carried out properly, in this case, the program evaluation has not been carried out at a formal stage and is only carried out internally by the program itself. Separation of duties is also still not applied, especially in RSA dr. Lie Dharmawan II where medicine procurement, medicine classification, and accountability for stock-taking reports are still not carried out by pharmacists. Even though it has been supported by using an ERP system for medicine management, the separation of duties has not been carried out.

Accountability related to the transparency of non-profit financial statements has been carried out properly by functions and responsibilities. Financial reports are also carried out separately according to the source of funds, as well as accountability to donors based on the results of interviews where doctorSHARE has its financial statements according to the format owned by the donor, and doctorSHARE also gets audits from the donors involved such as UNICEF and UNFPA. Not stopping there, doctorSHARE currently has an internal audit, and doctorSHARE's financial statements are audited by external auditors every year.

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