ABSTRACT

The health sector has an important role in improving human resources in terms of thinking and health conditions. Poor health conditions will certainly result in low productivity, such as an unhealthy labor worker that is unable to work optimally. With the enactment of the Regional Autonomy policy (UU No. 32 of 2004), followed by the Law of Fiscal Balance between the Central Government and Regional Governments (UU No.33 of 2004), in carrying out the health sector work program, the central government and local governments have a role which are important as executors and have influence in improving public health indicators by using the APBN and APBD as policy instruments, which indirectly also participate in increasing the level of health indicators.

This study used the Data Envelopment Analysis (DEA) analysis tool using DEAP software version 2.1. The measurement results show the value of relative efficiency. This study uses the health expenditure budget as an input variable and health care facilities as an intermediate output variable to accommodate the indirect relationship between input and output variables. The assumption in this study is to use Variable Return to Scale (VRS) and is output oriented.

Research in 2017-2020 explains that the worst efficiency for Regencies/Cities in Central Java Province is technically costly with an average of 2 Regencies/Cities achieving perfect efficiency (=1). This result is very inversely proportional to the results of system technical efficiency with an average of 6 Regencies/Cities followed by results of other regions which are almost close to the perfect efficient value (= 1). This explains that some Regencies/Cities in Central Java Province are still not efficient in the use of the health spending budget and that improvements are needed through calculating improvement targets oriented towards maximizing output.

Keywords: *Health Budget, Efficiency, Health Degree, Data Envelopment Analysis (DEA)*