Published online on the journal's web page: http://jurnal.usahid.ac.id/index.php/jamr

eISSN: 2797-2917

Journal of Applied Management Research

Financial Performance of Health Service Providers Sub-Industry Companies Before and During the Covid-19 Pandemic

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ARTICLE INFO

Received: 15 April 2023
Revised: 10 May 2023
Accepted: 31 May 2023

Keywords:

Liquidity, Solvency, Profitability, Activity, the Paired Sample t-Test

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ABSTRACT

This study aims to analyze differences in financial performance before and during the Covid-19 pandemic based on liquidity, solvency, profitability, and activity ratios. The novelty of this research is a comprehensive analysis of financial performance before the Covid-19 pandemic compared to performance during the Covid-19 pandemic at the beginning of the period, namely 2020 until the second year of the pandemic, namely 2021. The research population is fourteen health service provider sub-industry companies listed on the Indonesia Stock Exchange. Based on the purposive sampling method, nine companies were selected as samples. Data sources are secondary data in the form of balance sheets and income statements. Liquidity performance is measured by the Current Ratio, solvency performance is measured by the Debt to Equity Ratio, profitability performance is measured by Return on Equity, and activity performance is measured by Total Assets Turnover. The analysis technique includes the normality test with the Kolmogorov-Smirnov test and hypothesis testing using the paired sample t-test. The results of the study concluded that there were no significant differences in liquidity, solvency, and activity performance before and during the first and second years of the Covid-19 pandemic. As for the profitability performance, it has been proven that there is a significant difference, namely that the performance during the first and second years of the Covid-19 pandemic was relatively higher than before the Covid-19 pandemic.

Published by LPPM Usahid

1. INTRODUCTION

During the Covid-19 pandemic in the 2020-2021 period, one of the industries that were heavily affected was the Health Service Provider Industry Sub-Sector including hospitals, laboratories, and other health service providers. During this period, the health service provider industry has the opportunity to reap greater revenue from cooperation with health insurance companies. The increase in demand for the healthcare service provider industry as well as the growing need for hospitalization is believed to be able to increase company margins in the health service provider sub-industry (Larasati & Hidayat, 2018). However, the Director of RSGM Dr. Drg. Julita Hendrartini, M. Kes., AAK. stated that the Covid-19 pandemic, which caused a drastic increase in the number of patients being treated, had an impact on the hospital's cash flow which was not sufficient to cover operational costs (www.siarpedia.com, 2020).

During the Covid-19 pandemic, the Indonesian government paid for all healthcare costs for Covid-19 patients but the healthcare industry experienced financial constraints. This was triggered by delays in paying claims for medical treatment fees, the need for laboratory services, and other health services to treat Covid-19 patients. The cost of medical treatment for Covid-19 patients is very high because they require special intensive care rooms, isolation rooms, antiviral drugs, oxygen therapy, and ventilators. Besides that, the surge in needs for laboratories, beds, medical gas, personal protective equipment, rapid tests, and medicines must be met quickly. The addition of these facilities resulted in an increase in asset spending and

DOI: http://dx.doi.org/10.36441/jamr

operational costs resulting in a deviation in financial performance compared to the period before the Covid-19 pandemic. Most of the hospitals and clinics serving Covid-19 patients are experiencing financial difficulties due to the drastic reduction in revenue from public services and delays in paying claims for Covid-19 handling fees from the Ministry of Health. Moreover, there is 38 percent of claims with dispute cases due to different perceptions of government regulations, incomplete documents, lack of application tools, and limited dispute verifiers (Ambarwati, 2021).

There are a number of studies that discuss financial performance before and during the Covid-19 pandemic but the results are inconsistent. A study of financial performance at the Surakarta State University Hospital concluded that there was a decrease in financial performance in terms of liquidity, activity, and profitability ratios (Sidiq et al., 2022). On the other hand, the banking industry, especially state-owned banks, experienced a decline in financial performance during the Covid-19 pandemic (Nortuah & Paranita, 2023).

In the hotel, restaurant, and tourism sub-sector companies listed on the Indonesia Stock Exchange, there were no significant differences in liquidity and market ratios before and during the Covid-19 pandemic, but solvency and profitability were significantly different (Esomar & Christianty, 2021; Rahma et al., 2022). As for the financial performance of telecommunications sub-sector companies, only the solvency ratio experienced a significant difference between conditions before and during the Covid-19 pandemic (Ilahude et al., 2021). Other research with comparative studies of financial performance before and during the Covid-19 pandemic in consumer cyclical sector companies concluded that there were significant differences in solvency, profitability, and activity ratios but there were no differences in market and liquidity ratios (Kristanto & Yanto, 2022).

Specifically for companies classified as the LQ-45 Index, there were significant differences in liquidity, solvency, profitability, and activity performance during the Covid-19 pandemic (Fatimah et al., 2021; Paranita & Siska, 2022). Even research with the entire population of companies listed on the Indonesia Stock Exchange also shows that there are significant differences in liquidity, solvency, activity, and profitability performance during the Covid-19 pandemic (Hilaliyah et al., 2021). In contrast, research on pharmaceutical sub-sector companies listed on the Indonesia Stock Exchange concluded that during the Covid-19 pandemic, there was actually an increase in liquidity, solvency, profitability, and activity performance (Khosiyan & Sudradjat, 2022; Puspabhita et al., 2022). Signaling theory explains that company internal stakeholders have better knowledge about the condition of the company than outsiders or shareholders. Financial reports are prepared by company management to disclose the company's financial performance to external stakeholders. The company's financial performance is a signal for investors to analyze the company's health condition (Mahardini & Framita, 2022).

The liquidity ratio is the company's ability to pay off its short-term obligations, or how quickly the company converts its assets into cash. The liquidity ratio is very important for short-term creditors because it describes short-term credit risk and illustrates the efficient use of short-term assets. The liquidity ratio in this study is measured by the Current Ratio, which shows the company's ability to pay its short-term obligations using its current assets (Kasmir, 2019; Hery, 2016).

The solvency ratio is used to measure a company's long-term financial risk because it describes the proportion of a company's debt. The higher the proportion of the company's debt, the riskier it will be for the company. In principle, the solvency ratio provides an overview of the level of adequacy of a company's debt, meaning how much the company's debt is compared to its capital or assets. The solvency ratio used in this study is the Debt to Equity Ratio. This ratio is used to measure debt compared to all equity, as well as provide an indication of the company's financial feasibility and risk (Kasmir, 2019; Rizal, 2022).

Profitability ratios measure a company's ability to generate profits and measure the rate of return on investments made. This ratio also reflects management's financial performance to maintain the effectiveness of the company's operations. The better the profitability ratio, the better the company's ability to earn profits.

DOI: http://dx.doi.org/10.36441/jamr

The profitability ratio in this study is measured by Return on Equity, which shows the company's ability to generate net income from equity (Kasmir, 2019; Rizal, 2022).

The activity ratio is an indicator that measures a company's ability to convert various balance sheet data into cash. The activity ratio is the ratio to measure the effectiveness of the use of company assets financed by outsiders. The activity ratio shows how resources have been utilized optimally, by comparing the activity ratio with industry standards, so the company's efficiency level can be known (Sartono, 2015). The activity ratio used in this study is the Total Assets Turnover which shows the comparison of sales with the company's total assets. This ratio measures how all of the company's assets are operated to support sales (Kasmir, 2019; Hery, 2016).

Based on the background and research gaps of previous research, the researcher is interested in analyzing financial performance before and during the Covid-19 pandemic in the healthcare provider sub-industry (Healthcare Providers and Healthcare Supplies & Distributions) listed on the Indonesia Stock Exchange based on the Industry Classification of Stock Listed Companies dated January 19, 2021. This study aims to determine differences in financial performance before and during the Covid-19 pandemic based on liquidity, solvency, profitability, and activity ratio. The novelty of this research is a comparative analysis of financial performance in 2019 and 2020, as well as in 2019 and 2021. So this comparative study is expected to be more comprehensive because it analyzes financial performance during the Covid-19 pandemic at the beginning of the period, namely 2020 until the second year of the pandemic, namely 2021.

2. RESEARCH METHODS

This type of research used is quantitative research. The population is the fourteen health service provider sub-industry companies listed on the Indonesia Stock Exchange. The determination of the sample used a purposive sampling method based on the consideration that it met the criteria for a health service provider sub-industry company that was listed on the Indonesia Stock Exchange in 2019-2021 and had consistent data during that period. Based on these criteria, nine companies were selected as samples. The data source for this research is secondary data in the form of company balance sheets and income statements obtained through the Indonesian Stock Exchange website, namely www.idx.co.id. The data collection technique uses content analysis from each of these financial reports.

Operational variables used in this study include profitability, liquidity, solvency, and activity performance. Profitability performance is measured by Return on Equity, liquidity performance is measured by Current Ratio, solvency performance is measured by Debt to Equity Ratio, and activity performance is measured by Total Assets Turnover. The analytical techniques applied include descriptive statistics, normality tests using the Kolmogorov-Smirnov test method, and hypothesis testing using the paired sample t-test.

The Current Ratio shows short-term creditor guarantees or the company's ability to pay off short-term debt using its current assets. The lower this ratio indicates the lower the company's ability to pay off short-term debt using its current assets. There are a number of studies that have concluded that there was a significant difference in the Current Ratio before and during the Covid-19 pandemic (Fatimah et al., 2021; Hilaliyah et al., 2021; Paranita & Siska, 2022; Sidiq et al., 2022). Researchers think that the company's ability to fulfill current obligations in conditions before and during the pandemic is very different. This is due to the disruption of the company's cash flow due to increased claims against Covid-19 patients but not necessarily billable due to dispute cases. Therefore the cash flow or income of the hospital will decrease, so the obligations to be paid will be disrupted. Therefore, hypothesis 1 is formulated as follows:
H1: There were differences in the Current Ratio before and during the Covid-19 pandemic in health service sub-industry companies listed on the Indonesia Stock Exchange.

The Debt to Equity Ratio compares all debt to all equity. This ratio is useful for knowing the number of funds financed by creditors compared to the total equity owned by the company. Previous research concluded that there were significant differences in the Debt to Equity Ratio before and during the Covid-19 pandemic

DOI: http://dx.doi.org/10.36441/jamr

(Esomar & Christianty, 2021; Fatimah et al., 2021; Hilaliyah et al., 2021; Ilahude et al., 2021; Kristanto & Yanto, 2022; Paranita & Siska, 2022; Rahma et al., 2022). Researchers assume that the company's interest expense can have an impact on the return on assets because a small number of assets are financed through debt. Therefore, it is better to get a return on assets to generate net profit because the company's debt-to-asset ratio becomes very small. The higher the company's debt, the less the company's profit. Therefore, hypothesis 2 is formulated as follows:
H2: There was a difference in the Debt to Equity Ratio before and during the Covid-19 pandemic in health service sub-industry companies listed on the Indonesia Stock Exchange.

Return on Equity is a very important ratio for shareholders because this ratio measures the return on investment of shareholders in the company. The lower this ratio, the smaller the level of profit that will be obtained by the company's shareholders. A number of studies have concluded that there were significant differences in Return on Equity before and during the Covid-19 pandemic (Esomar & Christianty, 2021; Kristanto & Yanto, 2022; Fatimah et al., 2021; Hilaliyah et al., 2021; Paranita & Siska, 2022; Rahma et al., 2022; Sidiq et al., 2022). Researchers think that the assets owned by the health services sub-industry can affect the company's ability to generate net income from equity. This is due to the use of much more assets than before the pandemic. Therefore, hypothesis 3 is formulated as follows:
H3: There were differences in Return On Equity before and during the Covid-19 pandemic in health service sub-industry companies listed on the Indonesia Stock Exchange.

Total Assets Turnover measures the turnover of all assets owned by the company and measures the number of sales obtained from each asset rupiah. Previous research concluded that there were significant differences in Total Assets Turnover before and during the Covid-19 pandemic (Fatimah et al., 2021; Hilaliyah et al., 2021; Kristanto & Yanto, 2022; Paranita & Siska, 2022; Sidiq et al., 2022). According to researchers, Total Asset Turnover before and after the pandemic will be very different due to unbalanced asset turnover. The use of assets is certainly more widely used for patient recovery compared to the cash obtained. This will trigger the low efficiency of the assets used. Therefore, hypothesis 4 is formulated as follows:
H4: There were differences in Total Assets Turnover before and during the Covid-19 pandemic in health service sub-industry companies listed on the Indonesia Stock Exchange.

3. RESULTS AND DISCUSSIONS

Descriptive Statistics. Descriptive statistics show the minimum value, maximum value, average value, and standard deviation for the period before and during the Covid19 pandemic. Following are the results of data analysis in two descriptive statistical analyzes, namely 2019-2020 and 2019-2021. 2019 represents conditions before the pandemic, while 2020 and 2021 represent conditions during the first and second years of the pandemic.

Table 1. Descriptive Statistic for 2019 and 2020

	N	Minimum	Maximum	Mean	Std. Deviation	Variance
PreCR	9	0.52	8.74	2.6632	2.84677	8.104
PostCR	9	0.58	16.14	4.0707	4.97790	24.779
PreDER	9	0.07	1.28	0.4438	0.41870	0.175
PostDER	9	0.05	1.48	0.5599	0.52723	0.278
PreROE	9	-0.12	0.17	0.0384	0.10175	0.010
PostROE	9	-0.12	0.25	0.0674	0.11189	0.013
PreTAT	9	.06	.91	.5273	.32933	.108
PostTAT	9	.06	1.05	.5414	.33515	.112
Valid N (listwise)	9					

Source: SPSS Output, 2023.

Based on Table 1 it can be explained as follows:

1. During the 2020 Covid-19 pandemic, the minimum and maximum values increased slightly; the mean and standard deviation doubled; and the variance tripled compared to pre-pandemic conditions.

2. The Debt to Equity Ratio during the Covid-19 pandemic in 2020 decreased the minimum value, and increased the maximum value; the average value, standard deviation, and variance increased slightly compared to pre-pandemic conditions.
3. Return on Equity during the Covid-19 pandemic in 2020, the minimum value remained negative, and the maximum increased slightly; the average value has doubled, and the standard deviation and variance are stable compared to pre-pandemic conditions.
4. Total Assets Turnover during the Covid-19 pandemic in 2020 the minimum value decreased, and the maximum value increased; the average value, standard deviation, and variance increased slightly compared to pre-pandemic conditions.

Table 2. Descriptive Statistic for 2019 and 2021

	N	Minimum	Maximum	Mean	Std. Deviation	Variance
PreCR	9	0.52	8.74	2.6632	2.84677	8.104
PostCR	9	0.38	16.15	4.1970	4.82951	23.324
PreDER	9	0.07	1.28	0.4438	0.41870	0.175
PostDER	9	0.12	1.53	0.4628	0.44966	0.202
PreROE	9	-0.12	0.17	0.0384	0.10175	0.010
PostROE	9	0.00	0.30	0.1477	0.10958	0.012
PreTAT	9	0.06	0.91	0.5273	0.32933	0.108
PostTAT	9	0.07	1.69	0.7027	0.48377	0.234
Valid N (listwise)	9					

Source: SPSS Output, 2023.

Based on Table 2 it can be explained as follows:

1. During the Covid-19 pandemic in 2021, the minimum value decreased, the maximum value doubled; the mean and standard deviation doubled; and the variance tripled compared to pre-pandemic conditions.
2. The Debt to Equity Ratio during the Covid-19 pandemic in 2021 increased the minimum and maximum values; the average value, standard deviation, and variance are relatively stable compared to pre-pandemic conditions.
3. Return on Equity during the Covid-19 pandemic in 2021 increased the minimum and maximum values; the average value increased drastically, and the standard deviation and variance were relatively stable compared to pre-pandemic conditions.
4. Total Assets Turnover during the Covid-19 pandemic in 2021, the minimum value was stable, and the maximum value almost doubled; the average value, standard deviation, and variance increased slightly compared to pre-pandemic conditions.

Normality Test. The normality test used the Kolmogorov-Smirnov Test. The criteria used are if the significance is > 0.05 then the data is normal, otherwise if the significance is <0.05 then the data is not normal. Table 3 shows the significant value of the Current Ratio in 2019 was 0.078; in 2020 of 0.200; and in 2021 it will be 0.196. All of them > 0.05, so the Current Ratio data is normally distributed.

Table 3. Normality Test of Current Ratio for 2019-2021

		2019	2020	2021
		SQRT_PRECR	**SQRT_PostCR**	**SQRT_PostCR**
N		9	9	9
Normal Parameters[a,b]	Mean	1.4515	1.4515	1.7602
	Std. Deviation	.79118	.79118	1.04587
Most Extreme Differences	Absolute	.261	.261	.221
	Positive	.261	.261	.221
	Negative	-.177	-.177	-.169
Test Statistic		.261	.221	.228
Asymp. Sig. (2-tailed)		.078[c]	.200[c,d]	.196[c]

Source: SPSS Output, 2023.

Table 4 shows the significant value of Debt to Equity Ratio in 2019 of 0.100; in 2020 of 0.160; and 2021 by 0.200. All of them > 0.05, so the Debt to Equity Ratio data is normally distributed.

Table 4. Normality Test of Debt to Equity Ratio for 2019-2021

		2019	2020	2021
		SQRT_PREDER	**SQRT_PostDER**	**SQRT_PostDER**
N		9	9	9
Normal Parameters[a,b]	Mean	0.5599	0.4628	1.7602
	Std. Deviation	0.52723	0.44966	1.04587
Most Extreme Differences	Absolute	0.236	0.221	.221
	Positive	0.236	0.216	.221
	Negative	-0.165	-0.221	-.169
Test Statistic		0.253	0.236	0.221
Asymp. Sig. (2-tailed)		0.100[c]	0.160[c]	0.200[c,d]

Source: SPSS Output, 2023.

Table 5 shows the significant value of Return on Equity in 2019 of 0.130; in 2020 of 0.200; and in 2021 it will also be 0.200. All of them > 0.05, so the Return on Equity data is normally distributed.

Table 5. Normality Test of Return on Equity for 2019-2021

		2019	2020	2021
		SQRT_PREROE	**SQRT_PostROE**	**SQRT_PostROE**
N		9	9	9
Normal Parameters[a,b]	Mean	0.0674	0.1477	1.7602
	Std. Deviation	0.11189	0.10958	1.04587
Most Extreme Differences	Absolute	0.142	0.200	.221
	Positive	0.142	0.200	.221
	Negative	-0.139	-0.199	-.169
Test Statistic		0.244	0.142	0.200
Asymp. Sig. (2-tailed)		0.130[c]	0.200[c,d]	0.200[c,d]

Source: SPSS Output, 2023.

Table 6 shows the significant value of Total Assets Turnover in 2019, 2020, and 2021 is 0.200 each. All of them > 0.05, so the Total Assets Turnover data is normally distributed.

Table 6. Normality Test of Total Assets Turnover for 2019-2021

		2019	2020	2021
		SQRT_PRETAT	**SQRT_PostTAT**	**SQRT_PostTAT**
N		9	9	9
Normal Parameters[a,b]	Mean	0.5414	0.7027	1.7602
	Std. Deviation	0.33515	0.48377	1.04587
Most Extreme Differences	Absolute	0.213	0.153	.221
	Positive	0.213	0.153	.221
	Negative	-0.146	-0.095	-.169
Test Statistic		0.181	0.213	0.153
Asymp. Sig. (2-tailed)		0.200[c,d]	0.200[c,d]	.200[c,d]

Source: SPSS Output, 2023.

Based on the results of the normality test on the Current Ratio, Debt to Equity Ratio, Return On Equity, and Total Asset Turnover data all meet the normality assumption, the most appropriate differential test for hypothesis testing is the parametric test, namely the paired sample t-test. The significance criterion of the paired sample t-test is if the two-tailed significance value is <0.05 then there is a significant difference, and vice versa if it is >0.05.

Test the Hypothesis 1. Tables 7 and 8 below present the results of the paired sample t-test on the Current Ratio before the Covid-19 pandemic in 2019 and during the Covid-19 pandemic in the first and second years, namely 2020 and 2021. Results of the paired sample t-test on the Current Ratio in 2019 and 2020 show a t-value of -0.813 with a significance value of 0.439, meaning that there was no significant difference in the Current Ratio before the 2019 Covid-19 pandemic and during the 2020 Covid-19 pandemic. The

DOI: http://dx.doi.org/10.36441/jamr

results of the paired sample t-test on the 2019 Current Ratio and 2021 show a t value of -0.963 with a significance value of 0.364, meaning that there was no significant difference in the Current Ratio before the 2019 Covid-19 pandemic and during the 2021 Covid-19 pandemic. Thus hypothesis 1 is rejected.

Table 7. Paired Sample t-Test of Current Ratio for 2019-2020

					95% Confidence Interval of the Difference				
		Mean	**Std. Deviation**	**Std.Error Mean**	**Lower**	**Upper**	**t**	**df**	**Sig. (2-tailed)**
Pair 1	SQRT_PRECR- SQRT_ POSTCR	-0.30873	1.13854	0.37951	-1.18389	0.56643	-0.813	8	0.439

Source: SPSS Output, 2023.

Table 8. Paired Sample t-Test of Current Ratio for 2019-2021

					95% Confidence Interval of the Difference				
		Mean	**Std. Deviation**	**Std.Error Mean**	**Lower**	**Upper**	**t**	**df**	**Sig. (2-tailed)**
Pair 1	SQRT_PRECR- SQRT_ POSTCR	-0.37403	1.16574	0.38858	-1.27009	0.52204	-0.963	8	0.364

Source: SPSS Output, 2023.

If current assets are greater than current liabilities, then the company has good liquidity in paying off its current debts. Based on the results of the analysis, there was no significant difference between the Current Ratio before and during the Covid-19 pandemic in the first and second years. The findings of this study support Kristanto & Yanto's (2022) research, but are not in line with Esomar & Christianty's (2021) research, Fatimah et al. (2021), Hilaliyah et al. (2021), Paranita & Siska (2022), Rahma et al. (2022), and Sidiq et al. (2022). This is possible because the value of current assets and current liabilities of the health service provider sub-industry companies before and during the Covid-19 pandemic was on average stable. The standard deviation of the Current Ratio is relatively low, there are six companies with good liquidity and three companies with poor liquidity. In general, the Current Ratio of companies in the health service provider sub-industry is still relatively liquid and there is no significant difference in liquidity performance before and during the first and second years of the Covid-19 pandemic.

Test the Hypothesis 2. Tables 9 and 10 below present the results of the paired sample t-test on Debt to Equity Ratio before the Covid-19 pandemic in 2019 and during the Covid-19 pandemic in the first and second years, namely 2020 and 2021. Results of the paired sample t-test on Debt to The Equity Ratio in 2019 and 2020 show a t-value of -0.848 with a significance value of 0.421, meaning that there is no significant difference in the Debt to Equity Ratio before the Covid-19 pandemic in 2019 and during the Covid-19 pandemic in 2020. The results of the paired sample t-tests on the Debt to Equity Ratio in 2019 and 2021 show a t-value of -0.111 with a significance value of 0.914, meaning that there was no significant difference in the Debt to Equity Ratio before the Covid-19 pandemic in 2019 and during the Covid-19 pandemic in 2021. Thus hypothesis 2 is rejected.

Table 9. Paired Sample t-Test of Debt to Equity Ratio for 2019-2020

					95% Confidence Interval of the Difference				
		Mean	**Std. Deviation**	**Std.Error Mean**	**Lower**	**Upper**	**t**	**df**	**Sig. (2-tailed)**
Pair 2	SQRT_PREDER- SQRT_ POSTDER	-0.11611	0.41090	0.13697	-0.43196	0.19974	-0.848	8	0.421

Source: SPSS Output, 2023.

Table 10. Paired Sample t-Test of Debt to Equity Ratio for 2019-2021

					95% Confidence Interval of the Difference				
		Mean	**Std. Deviation**	**Std.Error Mean**	**Lower**	**Upper**	**t**	**df**	**Sig. (2-tailed)**

Pair 2	SQRT_PREDER-SQRT_ POSTDER	-0.01900	0.51157	0.17052	-0.41223	0.37423	-0.111	8	0.914

Source: SPSS Output, 2023.

If equity is greater than total debt, then the company has good solvency in paying off its total debt. Based on the results of the analysis, there was no significant difference between the Debt to Equity Ratio before and during the Covid-19 pandemic in the first and second years. The findings of this study are not in line with the research of Esomar & Christianty (2021), Fatimah et al. (2021), Hilaliyah et al. (2021), Ilahude et al. (2021), Paranita & Siska (2022), and Rahma et al. (2022). This is possible because the overall debt value of companies in the health service provider sub-industry is not greater than their equity. The standard deviation of the Debt to Equity Ratio is relatively low, there are six companies with good solvency and three companies with poor solvency. In general, the Debt to Equity Ratio of the health service provider sub-industry companies is still classified as solvable and there is no significant difference in solvency performance before and during the first and second years of the Covid-19 pandemic.

Test the Hypothesis 3. Tables 11 and 12 below present the results of the paired sample t-test on Return On Equity before the Covid-19 pandemic in 2019 and during the Covid-19 pandemic in the first and second years, namely 2020 and 2021. Results of the paired sample t-test on Return On Equity in 2019 and 2020 showed a t value of -2,196 with a significance value of 0.059, meaning that there was a significant difference in Return On Equity before the 2019 Covid-19 pandemic and during the 2020 Covid-19 pandemic. The results of the paired sample t-test on Return On Equity in 2019 and 2021 show a t-value of -6,219 with a significance value of 0,000, meaning that there was a significant difference in Return On Equity before the 2019 Covid-19 pandemic and during the 2021 Covid-19 pandemic. Both are based on a significance criterion of 0.1. Thus hypothesis 3 is accepted.

Table 11. Paired Sample t-Test of Return On Equity for 2019-2020

					95% Confidence Interval of the Difference				
		Mean	**Std. Deviation**	**Std.Error Mean**	**Lower**	**Upper**	**t**	**df**	**Sig. (2-tailed)**
Pair 3	SQRT_PREROE-SQRT_ POSTROE	-0.02900	0.03962	0.01321	-0.05945	0.00145	-2.196	8	0.059

Source: SPSS Output, 2023.

Table 12. Paired Sample t-Test of Return On Equity for 2019-2021

					95% Confidence Interval of the Difference				
		Mean	**Std. Deviation**	**Std.Error Mean**	**Lower**	**Upper**	**t**	**df**	**Sig. (2-tailed)**
Pair 3	SQRT_PREROE-SQRT_ POSTROE	-0.10922	0.05269	0.01756	-0.14972	-0.0687	-6.219	8	0.000

Source: SPSS Output, 2023.

The composition of net income compared to equity shows the company's profitability from its equity. Based on the results of the analysis, the Return on Equity before and during the first and second years of the Covid-19 pandemic there were significant differences. The findings of this study are in line with research by Esomar & Christianty (2021), Kristanto & Yanto (2022), Fatimah et al. (2021), Hilaliyah et al. (2021), Paranita & Siska (2022), Rahma et al. (2022), and Sidiq et al. (2022). During the Covid-19 pandemic, the health service provider sub-industry companies experienced an average net profit increase due to soaring demand for health services on all fronts, as research by Khosiyan & Sudradjat (2022) and Puspabhita et al. (2022). This condition is attractive for investors to invest their funds in shares of this sub-industry which have an increased rate of return on equity. In general, the Return on Equity of the health service provider sub-industry companies is classified as profitable and differs significantly between the profitability performance before and during the first and second years of the Covid-19 pandemic.

Test the Hypothesis 4. Tables 13 and 14 below present the results of the paired sample t-test on Total Asset Turnover before the Covid-19 pandemic in 2019 and during the Covid-19 pandemic in the first and second years, namely 2020 and 2021. Results of the paired sample t-test on Total Asset Turnover in 2019 and 2020 showed a t value of -0.542 with a significance value of 0.602, meaning a significant difference in Total Asset Turnover before the Covid-19 pandemic in 2019 and during the Covid-19 pandemic in 2020 (criteria sign 0.1). The results of the paired sample t-test on Total Asset Turnover in 2019 and 2021 show a t value of -2,010 with a significance value of 0.079, meaning that there was a significant difference in Total Asset Turnover before the Covid-19 pandemic in 2019 and during the Covid-19 pandemic in 2021 Both are based on the significance criterion 0.1. Thus hypothesis 4 is rejected.

Table 13. Paired Sample t-Test of Total Asset Turnover for 2019-2020

					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std.Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 4	SQRT_PRETAT- SQRT_ POSTTAT	-0.01411	0.07805	0.02602	-0.07411	0.04589	-0.542	8	0.602

Source: SPSS Output, 2023.

Table 14. Paired Sample t-Test of Total Asset Turnover for 2019-2021

					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std.Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 4	SQRT_PRETAT- SQRT_ POSTTAT	-0.17533	0.26167	0.08722	-0.37647	0.02580	-2.010	8	0.079

Source: SPSS Output, 2023.

The composition of net profit compared to total assets shows the company's ability to generate net profit through the use of its total assets. Based on the results of the analysis, there was no significant difference in Total Assets Turnover before and during the Covid-19 pandemic in the first and second years. The findings of this study are not in line with the research by Esomar & Christianty (2021), Kristanto & Yanto (2022), Fatimah et al. (2021), Hilaliyah et al. (2021), Paranita & Siska (2022), Rahma et al. (2022), and Sidiq et al. (2022). During the Covid-19 pandemic, the sub-industrial companies providing health services experienced an average increase in net profit due to the drastic increase in total assets in line with the soaring demand for health services. The standard deviation of Total Assets Turnover is relatively low, the majority of companies have a good activity ratio. In general, the Total Assets Turnover of the health service provider sub-industry companies is classified as active and there is no significant difference in activity performance before and during the first and second years of the Covid-19 pandemic.

The summary of the results of hypothesis testing for all financial performance before and during the first and second years of the Covid-19 pandemic is as shown in Table 15 below:

Table 15. Summary of Financial Performance Hypothesis Test Results

Hypothesis	2019 & 2020	2019 & 2021
Liquidity	No Difference	No Difference
Solvability	No Difference	No Difference
Profitability	There are differences	There are differences
Activity	No Difference	No Difference

Source: SPSS Output, 2023.

4. CONCLUSION

After analyzing and testing hypotheses regarding financial performance before and during the Covid-19 pandemic in the health service provider sub-industry listed on the Indonesia Stock Exchange, it can be concluded that there were no significant differences in liquidity, solvency and activity performance before and during the Covid-19 pandemic in the first and second year. As for the profitability performance, it has been proven that there is a significant difference, namely that the performance during the first and second years of the Covid-19 pandemic was relatively higher than before the Covid-19 pandemic.

The implication of the research findings is that company management must maintain its financial performance so that the company's existence can continue to survive and become a positive signal for investors to invest their funds in the company, as stated by the signaling theory. Future research is expected to analyze other sub-industries with a longer observation period so as to obtain more comprehensive conclusions. Especially in the current conditions where the status of the Covid-19 pandemic has been revoked, analysis of financial performance with indicators of several ratios is still relevant for the study.

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