Caps on Fee by Private Hospitals - COVID-19

Why in news?

Few States in India have stepped in to regulate the charges for COVID-19 care in private hospitals.

What was the need?

- For the initial part of the epidemic, the State was the primary testing agent and care giver for all COVID-19 cases.
- At that stage, few private hospitals, if any, were in the front line of the battle.
- Anyone who tested positive was shifted to a government hospital for isolation and treatment.
- However, increased number of cases necessitated a significant involvement of the private sector.
- But soon there were numerous reports about exorbitant bills being raised in private hospitals for care of COVID-19 patients.
- Costs were upwards of Rs. 7 lakh for a minimum 14-day period of hospitalisation even for mildly symptomatic or asymptomatic patients.
- If ICU (intensive care unit) care is warranted then the rates would be much higher.
- In some instances, the Indian Medical Association demanded for government intervention to regulate this.
- The Central government earlier capped the price of tests for COVID-19 at Rs. 4,500 in private labs, but not hospital charges.

What are the recent regulations by the States?

- Some of the states have now set a cap on the tariff that can be charged by private hospitals for COVID-19 care.
- Maharashtra was the first to fix a tariff, followed by Gujarat and Tamil Nadu.
- Hospitals have been graded into categories, depending on facilities provided.
- So, reasonable rates are fixed per day for each category.
- ICU rates are naturally higher.
- But States have specified that private hospitals should follow the tariff for beds.
- If not complied, the States could be charged for violations.
- Making it a participatory process, the private sector was also co-opted into

discussions on tariff.

- **Tamil Nadu** has also fixed a separate tariff for beneficiaries under the Chief Minister's Comprehensive Health Insurance Scheme.
- [It is now subsumed under the Central Insurance scheme.]
- This would make it easy for patients from lower income groups to access private care treatments for COVID-19.
- Tamil Nadu has also re-fixed the rate for testing in a private lab at Rs. 3,000 per test.

What is the way forward?

- It is on part of the governments to ensure that harsh times are further not exacerbated by profiteering.
- While issuing the new fee-cap, the Tamil Nadu Government has not provided a helpline number to report defaulting hospitals.
- What is needed now is further watchfulness on part of the States and mechanisms for redressal.

Source: The Hindu

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