Common goods for health (CGH)

What is the issue?

- The Common Goods for Health (CGH) is a project launched by the World Health Organization (WHO).
- There is now a direct fiscal impetus to do more on the population-scale interventions in CGH.

What is "Common Goods for Health"?

- CGH, introduced by WHO, aims to bring fresh energy back into the foundations, in **population-scale public health**.
- In the technical lingo of public economics, this covers market failure in the form of 'public goods' and 'externalities'.
- The phrase "Common Goods for Health" is more **easily understood**.
- It avoids the near-universal confusion associated with the terms 'public health', 'public good', and 'public health expenditure'.

What is needed now?

- There is a need to do more on CGH - The **population-scale interventions** which reduce the disease burden.
- This reflects new threats such as pandemics and air quality, and also the unfinished agenda of traditional public health in India.
- Given the growing fiscal exposure of the government to health care expenses, there is now a **direct fiscal impetus** to do more on these population-scale interventions.
- At the foundation of health policy is the debate on prevention vs health.
- While the health care community focuses on curing people, there are important reasons in favour of prevention and not cure.

Why the foundations of public health need to be strengthened?

- The dangers are **global pandemics** such as Ebola, the problems of **air quality in India**, or the **health consequences** of environmental degradation and climate change.
- These have adverse consequences for hundreds of millions of people.
- Merely focusing upon health care is an inefficient response.

- We should go upstream, and **combat these problems at the root**. This calls for strengthening the foundations of public health.
- The political and governance systems prioritise the urgent over the important. So, these foundations tend to get overlooked.
- Doctors, politicians and victims attach inadequate value to the invisible public health work, through which fewer people get sick in the first place.
- It is in the nature of the governance process to **creep away from public health towards health care**.
- In India, a lot remains to be done on the old agenda of public health, like water and sanitation, communicable disease surveillance, and the institutional capacity for dealing with epidemics or natural disaster.
- A fresh look at the conditions prevalent today adds new elements to this public health agenda, including air quality, road safety, drug safety, etc.,

What is the connection between CGH and public finance?

- Improvements in public health will reduce the extent to which people get sick, thus giving reduced health care expenditures.
- This will in turn reduce the fiscal burden associated with government programmes which pay for health care.
- This justifies an enhanced focus upon CGH for governments worldwide, even if the main consideration was public expenditure and not the happiness of the populace.
- Whether the government pays a health care provider or an insurance company, ultimately the magnitude of these payments is linked to covered health care events.
- Doing better on CGH is a stepping stone for the financing and thus the feasibility of Universal Health Coverage (UHC).

What is the status in India?

- When it came to the health care expenses, the Indian state was traditionally in the periphery, in the last decade.
- The **fiscal exposure** to health care expenses has raised sharply through the launch of government-sponsored health insurance schemes (GSHIS).
- There are concerns about the **magnitude of the implicit debt** associated with the health insurance promises made by the Indian state.
- A fresh focus upon CGH will help reduce the expenditures and the financial risk associated with the promises that have been made about health care.
- The **CGH agenda cuts across many ministries** and agencies of government.
- As an example, problems like air quality or road safety have a major impact upon health care expenses in India, and these problems lie outside the

Ministry of Health.

- There is a **need for coordination mechanisms** that cut across various elements of the Indian state that have to discharge these responsibilities.
- This is similar to the problems of disaster risk resilience, which cut across many parts of the Indian state.

What amplifies the importance of CGH?

- In India, we have many **difficulties in health care**.
  - This amplifies the importance of CGH: It is better for a person to not get sick, as compared with going into a faulty health care system.
- The Indian state is **increasingly exposed to health care expenditures**.
  - This amplifies the importance of CGH: To the extent that people do not get sick, the fiscal burden associated with a given set of promises made by the government will be smaller.
- Global health policy is a super tanker and there won't be substantial change in the short run.
- However, the CGH project is a push in the right direction, and is likely to slowly bring about a shift in health policy worldwide.
- It is particularly important in India, where the traditional public health agenda has obtained inadequate attention, and the disease burden is consequentially high.

Source: Business Standard

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