Deteriorating Private Health Care

Why in news?

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The Delhi government recently cancelled the licence of Max Super Speciality Hospital in Delhi citing a series of violations.

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What is the recent tragedy?

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- Almost 10 days after a baby was declared dead by the hospital, it was found to be alive, but later died.
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- The final report of an enquiry by the Directorate General of Health Services (DGHS) found the hospital at fault.
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- The hospital failed to keep proper temperature and vital sign monitor record and missed the signs of life.
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- The staff nurses had handed over the bodies of the babies without written directions from a paediatrician.
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- The DGHS through its findings concluded that it was a case of clear medical negligence.
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- The hospital license was thus cancelled by the government.
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What is the larger implication?

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- It brings to light the callous negligence of private hospital authorities.
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- The hospital had earlier failed to comply with the notices stipulating

admission of low-income patients.
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- This sort of transgression is one of the worst-kept secrets about private hospitals in India.
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- Notably they have come up on free or heavily subsidised land.
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- This was with a precondition that a certain percentage of beds are reserved for economically weaker sections.
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- In the initial days, this was seen as an option to balance the governments' disinclination to invest in adequate health care services.
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- However, the steady expansion of the high-cost private hospital network has failed in achieving this outcome.
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- As, these have proliferated at the cost of public hospitals and have excluded the lower middle class and poor people.
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- Consequently, these vulnerable groups remain hostage to a public health care system that has deteriorated sharply over the past two decades.
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- India needs to device a framework to offer a quality health care service to its people in fair and equitable manner.
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What are the notable global models in health care?

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- **Swedish Model (Competitive Bidding)** - Private and public health facilities compete for government funding and the right to provide healthcare to citizens.
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- The winning bid, receives funding and incentives for providing the quickest and cheapest treatment.
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- Also, the costs are strictly regulated and beyond a certain amount of expenditure, the visits are free.
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- It is thus ensured that no citizen pays more than $ 300 per year including prescription drugs.
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- **Thailand Model (Capitation Fee)** - Under the National Health Security Act, the Universal Coverage Scheme (UCS) covers roughly 75% of the Thai population.
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- UCS, which is tax-funded, pays annual capitation fees to hospitals based on how many beneficiaries visit them.
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- Public and private hospitals are treated on a par, and the beneficiary chooses where she goes.
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- **Canada Model (Fixed Charges, Govt Reimbursement)** - Medicare, which covers all Canadians, is publicly financed and privately run.
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- The Canadian Health Act of 1984 allows medical practitioners to only charge fees fixed by governments.
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- General Practitioners are a very important link in the healthcare chain and they are paid from tax revenue either by the federal or the provincial government.
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- Governments decide fees of primary care physicians and salaries of health professionals.
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- The federal government regulates drugs and diagnostics; provincial governments regulate hospitals, private healthcare professionals and private insurance.
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- **Germany (Insurance-Based)** - The government-funded Social Health Insurance (SHI) and private insurance cover almost 99% of the population.
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- The government delegates regulation and governance to the SFs and medical providers' associations.
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- The Social Health Insurance is operated by more than 200 competing Sickness Funds (SFs).
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- These are self-governing, nonprofit, non-governmental organisations.
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- And are funded by compulsory wage-based contributions, matched by employers.
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- The patient chooses her SF and provider, who cannot refuse her.
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Source: Business Standard, Indian Express

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