Essentiality of Public Health Care

Why in the news?

In the Budget 2025, While the allocation for Ayushman Bharat Pradhan Mantri Jan Arogya Yojana has increased ,the National Health Mission received a declining share.

What are the significances of insurance driven health care?

- **Affordable Access to Healthcare** - By pooling resources through contributions or taxes, public health insurance reduces the financial burden of medical expenses, making healthcare services more affordable for individuals and families.
- **Health Equity** - It ensures that everyone, regardless of income or socio-economic status, has access to necessary medical services, helping to bridge healthcare disparities.
- **Economic Stability** - It protects individuals and families from catastrophic healthcare costs that could lead to debt or poverty, thereby enhancing financial security.
- **Improved Public Health Outcomes** - With more people having access to healthcare, public health insurance contributes to better health outcomes, reducing the spread of diseases and improving overall life expectancy.

What are the challenges with insurance-driven healthcare?

> *Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB-PMJAY) is an insurance-based programme to reduce OOPE by covering hospitalisation, surgeries, and procedures at the secondary and tertiary level.*

- **Inflated medical costs -** Private insurers often *prioritize profits* over patient care, leading to unnecessary medical procedures and cost inflation.

  In the U.S., insurance-driven pricing has led to skyrocketing health-care costs, widening inequalities, and limiting access for uninsured individuals.

- **High Out-Of-Pocket Expenditure (OOPE) -** In an insurance-driven healthcare model, patients often bear significant *out-of-pocket expenses* due to *exclusions, deductibles, and co-payments.*
- Many essential services, such as *outpatient consultations, diagnostics*, and long-term treatments, are not covered comprehensively.

According to the *National Health Accounts (NHA 2021-22), OOPE* constitutes around 39.4% of total health expenditures in India.

- **Limited coverage and exclusion-** Despite government schemes like *Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana* (AB-PMJAY), a large segment of the population , particularly informal sector workers and rural people, remains uninsured.
- **Claim rejections** - Even those covered under insurance face issues due to *limited network hospitals* and claim rejections.
- **Complex insurance system -** Different insurance providers follow varying policies, creating a *fragmented system* with inconsistent benefits.
- Government insurance schemes, though widespread, face *operational inefficiencies* and *delays* in reimbursements.
- **Rising premium costs -** As healthcare costs increase, *insurance premiums* also rise, making private insurance unaffordable for many families.
- **Neglect of preventive care -**Insurance models predominantly focus on h*ospital-based treatments* rather than *preventive* healthcare and primary care.
- This leads to *excessive medicalization* of health issues instead of addressing root causes through public health measures.
- **Privatization of health** - Health is a state subject, and dominance of insurance driven private health system, limits state control on public health care.
- **Weakens public health infrastructure** - Despite improving financial protection, it discourages primary health-care use, weakens public health infrastructure, and strengthens market-driven private health care.
- **No pandemic support** – Insurance based model will not help during public health crisis times like COVID-19 period, where strong public health care infrastructure can only save.

What are the significances of public health care system?

- **Universal Health Coverage(UHC)** - Primary Health Care (PHC) is the very foundation of achieving universal health coverage and health for all.
- **Efficient health system** - A robust PHC system reduces the burden on secondary and tertiary care, and ensures cost-effective health care.

The Bhore Committee 1943, officially known as the Health Survey and Development Committee, recommended strong primary health care, with a pyramid-shaped health system tapering to secondary and tertiary care.

- **Accessibility** - PHC ensures that healthcare services are accessible to all, especially underserved and rural populations.
- **Equitable health care** - It reduces disparities in health outcomes by providing equal access to essential care.
- **Preventive care** -Emphasis on preventive measures like vaccinations, health screenings, and lifestyle counseling helps avert diseases before they become severe.
- **Cost efficiency** - By addressing health issues early, PHC minimizes the need for

expensive treatments and hospitalizations.
- It is more cost-effective for governments and individuals compared to specialized care.
- **Holistic care** -PHC integrates various aspects of healthcare—maternal and child health, mental health, and chronic disease management—offering holistic care.
- **Managing health pandemic** - A robust PHC system enhances a country's ability to respond to public health emergencies, like pandemics or disease outbreaks.

What are the challenges with public health delivery system?

- **Insufficient funding** - Limited financial resources often lead to inadequate infrastructure, medical supplies, and staffing, making it hard to meet the population's needs.
- **Overburdened facilities** - Public health services frequently serve large populations, leading to overcrowded hospitals and long wait times for patients.
- **Shortage of healthcare Professionals** - Many public health systems face a lack of doctors, nurses, and other medical staff, which impacts the quality and availability of care.
- **Quality of care** - Due to resource constraints, the quality of care in public health systems may not always match that of private healthcare providers.
- **Bureaucratic inefficiencies** - Administrative delays, mismanagement, and red tape can slow down service delivery and discourage innovation within the system.

What lies ahead?

- Comprehensive public health benefit packages, cost-control mechanisms, and programmes to reduce OOPE are essential for achieving UHC.
- Strong public health investments, and regulated private insurance to ensure prioritising primary care and community-based services along with secondary and tertiary care will help achieve UHC.
- Safeguards can be created to prevent private insurance from driving up health-care costs, ensuring India's commitment to 'Health for All' remains more than just a slogan.
- Policies shall address the health-care needs of informal workers, the unemployed, migrants, and vulnerable populations, especially with rising climate-related health risks.

Reference

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