Healthcare in India

Why in news?

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Recent national health policy does not provide adequate measures to cooperate with the private sector leaving the policy both clumsy and lack clarity.

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What is the issue?

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- The government’s recent moves in healthcare demonstrate how failing to anticipate the consequences results in poor policies.
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- Following the imposition of price controls on coronary stents in February, companies like Abbott Healthcare and Medtronic India Pvt. Ltd moved to withdraw some models of their stents from the Indian market.
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- The government is considering expanding the scope for price control in various ways.
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- By planning to bring in medical devices directly under the Drug Price Control Order (DPCO), 2013, and provisions for reducing drug prices even when they are below the ceiling price, governments approach to healthcare warrants scrutiny.
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What is present state of health care in India?

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- In 1943, the Bhore committee led by Joseph William Bhore was set up by the government of India to assess health conditions in India and suggest reform measures.
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- Its recommendations sound familiar today: universal healthcare provided by the government, primary health centres seeded across the country, a nationwide health network that ensures no one is denied medical care for lack of ability to pay.
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- In 1952, the government of independent India accepted the committee's proposals.
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- Today, that system and its outcomes are close to shambles.
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- India faces the dual challenges of communicable and non-communicable diseases.
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- Centre and state government healthcare spending has been hovering around the 1.15% of GDP (gross domestic product) mark.
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- As a consequence, India ranks sixth out of 50 low-middle-income countries when it comes to out-of-pocket health expenditure.
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- According to an IndiaSpend analysis about 63 million people are impoverished annually by healthcare expenses.
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What does the 2017 health care policy offers?

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- The National Health Policy, 2017, released earlier this year the third after the 1983 and 2002 did get some things right in attempting to address the shortfalls when it came to infrastructure.
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- It targeted government healthcare expenditure of 2.5% of GDP lower by far than the global average of 5.4%, but a beginning at least.
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- It promised to reform medical education and improve hospital bed availability, clean up regulation of the sector and improve the quality of, and access to, public primary healthcare.
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- The last is particularly important; good primary care reduces the pressure on secondary and tertiary healthcare.
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- Given the public health system's poor presence in the latter categories, the policy also set out the objective of "strategic purchase" of services not only

from public facilities and not-for-profit private facilities, but also from for-profit private facilities.
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- Unfortunately, the government's step since price controls on stents aside, making the prescription of generics mandatory without taking steps to address known quality issues with Indian generics or ensure that generics are bioequivalent to the original product have shown a continuation of missteps in recent years.
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- Heavy-handed drug price controls under the DPCO in previous years, for instance, have both denuded the domestic sector.
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- This lead to a dangerous dependence on imports from China for the active pharmaceutical ingredients used in many common drugs, and encouraged oligopolistic behaviour.
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- This lack of effective cooperation between the government and private sector doesn't bode well for the National Health Policy's aims of PPP and steering the private sector to best meet the country's health needs.
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What is the importance of healthcare?

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- Healthcare is a tricky issue, subject to a number of ethical considerations and constraints.
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- Its fundamental importance to citizens' lives and the inelasticity of demand warrants that the government must play a role.
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- A rich country with a small population like Singapore might be able to run one of the world's best healthcare systems based on health insurance designed by the government and paid for by users
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- But such a system would be a disaster in India.
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- Similarly, a healthcare system dominated entirely by the public sector, such as the Bhore committee envisaged and as exists in the UK, has its own constraints when it comes to capacities and funding.
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- It would be a non-starter in India given the narrow tax base.
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- Every country must arrive at its own modus operandi and in India that will involve the private sector, when it comes to both supply of services and insurance.
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- Effective regulation and enforcement of greater transparency are necessary.
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Source: Live Mint

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