The odds against NHPS

What is the issue?

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- The government has launched the ‘National Health Protection Scheme’ (NHPS), which is envisions a massive coverage of 50 crore people.
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- But previous experience shows us that merely constituting an insurance scheme will do little to enhance health care.
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How have previous insurance schemes fared in India?

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- **Design -** Any public health insurance scheme would logically enhance medi-care affordability for the masses, which will consequently enhance demand.
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- But as Indian public health infrastructure is still in shambles, the supply would have to be met through expansion of private health infrastructure.
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- **Previously -** Public insurance schemes like Centre’s ‘Rashtriya Swasthya Bima Yojana’ (RSBY), and Andhra Pradesh’s Aarogyasri had been in operation.
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- Both RSBY and Aarogyasri were cashless hospitalisation schemes, but they benfitited few and failed to reach the most vulnerable sections.
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- Notably, outpatient care, which accounts for the most of the out-of-pocket spending, wasn’t covered under the scheme.
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- **Challenges -** While both targeted people living below the poverty line, over-reliance on private hospitals and poor monitoring watered down their impact.
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- This was because, private infrastructure tends to be concentrated in more

prosperous regions (increased distances make accessibility tough).
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- Some hospitals were found to have performed unnecessary medical procedures on patients, to derive monetary benefits from the schemes.
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- Notably, such nefarious designs damages the health parameters and also increases out-of-pocket expenditure (in travel and other accessories).
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- The lack of sureity of reimbursements has also resulted in some hospitals charging money from the patients despite the insurance cover.
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What needs to be done?

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- Considering the poor success of the previous schemes, some have even argued that mere demand oriented interventions by the government are futile.
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- Unless the public health systems can compete with the private for funds from insurance scheme, quality healthcare will continue to elude the vulnerable.
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- Also, it is important to develop monitoring systems to ensure that private hospitals registered under the scheme comply with the norms prescribed.
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- Streamlining reimbursements to hospitals and efforts the expansion of both private and public health facilities at newer geographies are needed.
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- Hence, while the NHPS looks massive in terms of coverage, it needs to comprehensively take these factors into account to be successful.
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Source: The Hindu

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