

<https://scroll.in/article/764684/why-india-cannot-risk-putting-its-health-in-the-hands-of-the-private-sector>Why India cannot risk putting its health in the hands of the private sector

Why India cannot risk putting its health in the hands of the private sector

Budget allocations need to go up and public medical facilities need urgent investments. Else, as the editor of the 'Lancet' warned recently, India will 'see epidemics sweep across the country'.

Jayanta Dey/Reuters

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India is arguably the ill-health capital of the world. Home to 17% of the world's population, India accounts for 17% of global maternal deaths (500,000), 21% of deaths among children below five years (1.35 million) and 29% of newborn deaths (779,000). These statistics are a vital indication of the poor state of public health in the country.

For decades, India has continued to ignore the pathetic and dysfunctional state of its health system. Some of us take notice, albeit momentarily, when a foreign expert points this out. The recent interview to the Indian press by Richard Horton, the mercurial editor of the prestigious British medical journal, the *Lancet*, will in all probability become another forgotten piece of unsolicited advice in the days to come.

Yet, it is useful to examine his key refrain:

"India is on the edge and it can take two routes. It can take a route of investing in health and investing in its people and creating a thriving and flourishing future for India ... or it can do what it is doing now and ignore health in which case it will see epidemics sweep across the country creating an unsustainable future and destroying national security."

It is a strong indictment indeed of a government that rode to power on the slogan of *Sabka Saath, Sabka Vikas* – With all, development for all.

Yet it is a criticism that is clearly deserved if one were to go by the record of the 18-month-old National Democratic Alliance government.

Savage cuts in health budgets

Disquiet over the ineptitude and negligence of the government towards the health sector has snowballed over the past year and a half. In July 2014 the government put brakes on attempts by the National Pharmaceutical Pricing Authority to control medicine prices by curbing the profiteering by pharmaceutical companies. Concurrently, initial discussions to roll out an universal free medicines scheme for public facilities have now turned farcical as the government makes sporadic comments about its intent to provide 50 medicines free of cost – a pittance if one were to compare this with over 400 medicines already being provided free of cost in public facilities in Tamil Nadu and Rajasthan.

The mantra of needing to contain the fiscal deficit was invoked to slash committed funds to the health sector by 20% towards the end of 2014. The Union budget of 2015-'16 was equally harsh, and effected a 5.7% cut in total allocation to the health sector – down from Rs.35,163 crores in 2014-15 to Rs.33,152 crores. Simultaneously, allocation for the flagship Integrated Child Development Scheme to the Ministry of Women and Child Development was halved, from around Rs.16,000 crores to a meagre Rs.8,000 crores. Also slashed was the budget for Human Immunodeficiency Virus infection and Acquired Immune Deficiency syndrome, or HIV/AIDS, with the National Aids Control Organisation's budget plummeting from Rs1,785 crores to Rs1,395 crores.

The impact of these cuts on expenditure is starting to be felt on the ground. The National Rural Health Mission's activities have stuttered to a standstill in many states. Within six months of the new government's installation, absorption of funds had started stalling – just 42% of allocated funds were spent in the first six months of the 2014-15 fiscal year. The government's own data (in the yearly Rural Health Statistics) points to extremely disturbing trends.

The number of auxiliary nurse midwives serving in the public system actually saw a decline between 2014 and 2015, as did the number of specialists working in public facilities. In March 2015, only 18.8% of sanctioned posts for specialists in rural public facilities had been filled. Infrastructure creation through the National Rural Health Mission is also slowing down and only 288 new Primary Health Centres and 33 new Community Health Centres were set up in 2014-2015 against 572 and 176 respectively in the corresponding period in 2013-2014. Serious shortages of consumables and human resources have surfaced, with widely reported periodic stock-outs of medicines for the HIV and tuberculosis programmes.

Ideological commitment

What is particularly disturbing is that there is a method in this madness. Conventional public health logic would indicate, as Horton points out, that India needs to urgently shore up public investment in health and healthcare services. India's health system is one of the most privatised in the world and public expenditure is one of the lowest. Of the total expenditure on healthcare in India only 32% is public expenditure – the 16th lowest among 190 countries in the World Bank Database, in the august company of countries such as Sierra Leone, Afghanistan, Haiti and Guinea.

India performs even worse for public spending on healthcare as percent of Gross Domestic Product. At 1.3% of GDP spent on healthcare, India stands 12th from the bottom in the company of Myanmar, Haiti, South Sudan, Timor-Leste and Pakistan. Innumerable public documents have hammered home the need to increase public investment in health by an order of magnitude, including successive Planning Commission documents. The 10-year tenure of the United Progressive Alliance government saw only a marginal rise in investment in percentage of GDP terms. The NDA government, defying all logic, appears committed to reverse even this marginal commitment to increase public investment.

Unfortunately, a fundamentally ideological opposition to public services lies at the heart of the present government's approach to healthcare. The BJP's 2014 election manifesto talked about "health assurance" – a concept never defined concretely. An expert group was constituted with substantial fanfare in the early days of this government on health assurance but was subsequently given a quiet burial. A draft National Health Policy was unveiled and has remained a draft for over six months. It is rumoured that the draft is caught up in a controversy reflecting divergent views expressed by the Ministry of Health and the Niti Ayog. Recently the Niti Ayog came down heavily on the draft policy for suggesting a key role for public services.

A letter from the Niti Ayog to the Ministry, leaked to the press said:

"Even though one might find it morally and ethically reprehensible – this system of two-tier care – one for those with means and a voice and the other for the voiceless and indigent will continue to exist in the short or even medium term as it would be logistically impossible to shift the majority of patient load from the private to the public sector."

The Ayog further castigated the policy for recommending increase in public investment, arguing:

"We need to assess whether drastically increasing investments will run in to the law of diminishing marginal returns, besides posing a challenge to the absorptive capacities of the state health systems."

These arguments lie at the heart of present government's approach to healthcare. It would like to cap public expenditure at a minimum level and at the same time, through public policy measures, encourage the growth of private providers. In spite of the earlier Planning Commission's High Level Expert Group's clear recommendation to wind up the government's health insurance scheme (the Rashtriya Swasthya Bima Yojana), the government is aggressively pushing forward the insurance scheme because the main service providers attached to the scheme are private. The government is also aggressively pushing for private health insurance and the 2015-16 budget explicitly encourages this by announcing tax relief to those who purchase private health insurance. At the same time, states such as Rajasthan are leasing out existing rural public facilities to the private sector.

The ideologues of the BJP do not hide their fondness for the private sector. They would benefit if they were to rationally peruse the record of the private medical sector, both in India and globally. Instances abound of fleecing, callous neglect, and serious professional misconduct within major sections of the private medical sector. The private sector in India is also fast transforming into a corporate sector, thus gobbling up small and medium practitioners, many of whom are being forced to become franchisees of large corporate hospital chains. At the same time the government has exhibited a singular reluctance to operationalise the Clinical Establishments Act, supposedly designed to regulate the private sector.

As Horton pointed out in his interview, India needs to make a choice. Should we commit to stand with Myanmar, Sierra Leone and Haiti and neglect public services or emulate the experiences of better performing health systems in Europe, Thailand and Cuba, who have invested in building public services?

Unfortunately, as the dangerous drift in the present government's policy towards the health sector indicates, we have chosen Haiti over Cuba. We seem condemned to relive, over and over, the horrendous experience of the family in Delhi that committed suicide after their dying dengue affected five-year-old child was turned away by almost a dozen private hospitals.

*Amit Sengupta is the national convenor of Jan Swasthya Abhiyan, which is holding a series of **public hearings on health rights** in the coming months in collaboration with the National Human Rights Commission.*