How and why India must introduce universal healthcare coverage

By Varun Gandhi

Healthcare in India is a story of insufficient resources and poor outcomes. Investment is well below WHO guidelines in both qualitative and quantitative terms. Bed density is low (less than 1.5 beds per 1000 persons as compared to WHO guideline of 3.5), doctors few (less than 1.8 per 1000 as compared to WHO guideline of 2.5), and out of pocket spend high (86% as compared to an average of around 40% for low income countries). Rural India lags even further behind, with around 30% of the rural population having to travel over 30km for treatment.

Significant inequality in access is worsened as the existing healthcare workforce is inadequate and under-utilised. With low salaries, insufficient incentives, lack of career growth, inadequate training and inconsistent policies, the majority of the medical workforce chooses not to practice in the formal sector. India's regulatory system hardly keeps up with the very diverse set of medical practitioners.

Meanwhile, infectious and chronic diseases continue to prevail. Health indicators continue to lag, healthcare spending is growing slower than GDP growth, out of pocket spending continues to be high, and infrastructure gaps remain substantial.

Universal healthcare offers the one solution, by extending access to healthcare as widely as possible and providing quality care through minimum standards. Soviet Union implemented it in 1937, with the UK following nearly a decade later. Most nations have funded it through general taxation, supplementing it by specific levies and private payments.

Compulsory insurance utilising common risk compensation pools and a choice of insurance funds, such as in the US and Switzerland, have helped reduce inequality and increase access. Lives have been saved, with resultant growth.

India's government needs to play a stewardship role. By focusing on universal healthcare as a long term journey, with consensus on political backing and hard choices along with secured long term funding, universal coverage for good quality healthcare can be achieved. By building an effective regulatory framework and consistent policies across states and the Centre, workforce shortages can be overcome, along with integrating healthcare facilities across the village, town and district levels. Patient interest can be kept as a primary focus by reforming such bodies as the National Rural Health Mission and Rashtriya Swasthya Bima Yojana (RSBY).

Private sector can help improve India's healthcare infrastructure. But without faster accreditation, few private players will gain credibility, or raise standards, resulting in low customer satisfaction, longer hospital stays and poor governance. The National Accreditation Board for Hospitals and Healthcare Providers needs to roll out incentives encouraging accreditation and make it a mandatory process.

Public-private partnerships or build-operate-transfer or operations and maintenance contracting schemes can utilise private capital for provisioning healthcare services. With our growing population, the need for treatment of non-communicable and lifestyle diseases will increase, particularly in Tier 2 and 3 cities. Affordable healthcare programmes (rolled out as public-private partnerships) will offer significant margins (in volume) for private players, while helping to address talent resourcing and under-utilisation issues. Initiatives like Ayush Graham Bahawali Project, in Nainital, running on a build-operate-transfer mode, provide alternative medicine and low cost affordable healthcare, partly based on land grants by the government.

Insurance coverage is also abysmal in India, with just around 25% of the population covered. To achieve universal access, a coverage ratio of around 75% needs to be targeted, with the remainder offered access through government payments via RSBY. Access with low out of pocket spending can be achieved through an expansion of healthcare insurance, with the government playing a payor or guarantor role instead of providing services.

Social insurance schemes really need to be rolled out at scale, with the government deploying a greater share of healthcare funds for RSBY. Pilot programmes launched at a state level can help us determine the best model for the Indian market.
Community health insurance schemes like those launched by the Karuna Trust in Karnataka help improve access and utilisation of health services by the rural poor. Those left behind in India's growth should be offered a helping hand.

Universal healthcare requires cheaper drugs. Capping drug prices has become controversial. But pharma firms are coming under pressure to lower drug prices across the world.

Our inconsistent drug pricing regime offers high volatility. The last drug pricing control order fixed the prices of 348 drugs based on the simple average market price of the product, with no relationship to manufacturing cost. The latest order adds a further 100 drugs to this scheme, with little consultation. Such ad hoc policies create uncertainty, reducing incentives to foster innovation or bring new drugs to the Indian market.

While drug providers could crib about purported losses, the domestic pharma market is 75% of the volume exported. Drug providers should take a price cut and benefit from India's healthcare expansion. Public interest can also be private interest, in greater volumes.

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indiainfocus  • 21107  • geosatellite  • 36 days ago
keep the govt and gandhis, specially the socialist-communist gandhis of either party, out of our lives. we don't need govt insurance. there is plenty of charity within india - which keeps on increasing practically every week - to take care of those who can't afford insurance. just look at the akshaya patra doing great service in providing good quality meals to the poors, something the super wasteful mnrega would never ever come close to.the clever gujarat govt donated handsome money to akshaya patra to get them to spread their work further.

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DINATH  • 29781  •  • Hyderabad  • 36 days ago
very ambitious and challenging but doable !! india's government needs to play a stewardship role. by focusing on universal healthcare as a long term journey, with consensus on political backing and hard choices along with secured long term funding, universal coverage for good quality healthcare can be achieved.

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Ashwani K.  • 3109  •  • Faridabad  • 36 days ago
issues covered in this write up has been highlighted in enumerable number of times in various articles and reports. what is needed most now is a time bound health care action plan put into practice by the govt. so that benefits start reaching all sections of
society particularly among the poorest of the poor at the earliest.

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mayank jain • 14026 • • India • 36 days ago
absolutely right.. india's healthcare system is nowhere close to the guidelines set by who. india certainly needs a universal healthcare system to protect its citizen from any kind of health hazards. i wish modi govt does something in this regard.

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BM Man • 22391 • • Australia • 36 days ago
gandhis and nehru ruled india for 67 years. varun should be able to tell us why the condition of india so bad.

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Venkat Modi • 49712 • • Delhi • 36 days ago
ndrc should focus mainly on policy reforms to spur growth. rope in experts for short stints to advise on policy making, and do a global search to attract the best talent pool. after all, the government needs sound policy advice to fulfil modi's dream

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vyakul2002 • 26152 • • saudi • 36 days ago
theoretically we can talk a lot but on ground realities are different and to find out solutions one has to retort to multi prong strategy, and remedy all loop holes of our medical provisions. sub standard doctors from ill equiped low standard medical institutions getting recognition by bribing, do not employ staff, only visiting faculty, then doctors who are always behind money at any cost doing all illegal practises, then insurance companies not covering opd charges, exclusions, fixed surgery payments, hospital charges so exuberant, govt hospitals just useless and govt spending huge money upon these hospitals, medicine mwp written 300 to 500 times the real marketing price so medical shops sell at mwp and earning or say looting public who is going to correct? better all district hospital be on ppp mode and govt should manage only phccs, medical colleges also be run by ppp mode or private management and all citizens should be insured for whatever trt in these hospitals. govt s less expenditure and more income and public will get better services

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CN Ramasubramanian • 8923 • • New Delhi, India • 36 days ago
varun gandhi has taken pains to go through the health care plan model for india in the present condition. either bot or ppp system would be the best in view of the economic crunch. this will help many lower income group as also low middle income group. this should be given trial by the govt.

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jaxx • 8946 • • bhiwai • 36 days ago
nothing but repeating what bill gates has already said.. can bjp people or the people in power come out of new ideas or opinions first hand.. or just reading international opinions and doing copy paste

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John Milton • 10453 • • jaxx • Perth • 36 days ago
good ideas are always same. worth repeating again and again. most ideas originate elsewhere. b positive

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Roushon S • 29499 • • Mumbai • 36 days ago
still healthcare is the cheapest in india!

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bapty seshasayee • 1264 • • Unknown • 36 days ago

why not we near now neamin care smo de nanaie in india from rounmef reputed performing honest doctors, both in rural and semi urban areas. in india we have extremes great hospitals with well equipped doctors facility and skills. but major part of our population say 800 million plus have no doctors, or hospitals with care to go to. why not this be studied in depth and we evolve remedies for this.

Rajiv Vashistha • 12190 • New Delhi • 36 days ago
that's a fantastic idea, he is getting matured fast and one day shall be leading politician soon.

Chandrasekar Raghavan • 1295 • Rajiv Vashistha • Chennai
ask who wrote for him

dipakameha Mehta • 4652 • Location • 36 days ago
good ideas being floated by young varun. i am also glad that this health care business is not rahul's idea. but varun just be careful. once the health insurance is given to the people, it would be looted by unethical doctors and hospitals and other health care professional. i live in usa for more than 50 years and i have seen doctors prescribe many unnecessary procedures and surgeries to earn extra money whether a patient need then or not. the trend in usa is that many foreign borne doctors of indian, pakistani and asian origin specify every thing for a patients whether that treatment is needed or not. i know of many indian american doctors pay big time fines and go to long term prison for medicare fraud. in india doctors and hospitals are dying to get these easy monies. so be extremely careful to bring laws to discourage fake treatments.

Meghraj Khedkar • 135193 • Mumbai • 37 days ago
union home minister rajnath singh on sunday said india was prepared to deal with any threat from across the border. he, however, pitched for diplomatic efforts to curb incidents of incursion if any.'if there are incursions by a neighbouring country, diplomatic efforts must be made and will be made to stop these.'but, we are prepared to deal with any threat if it emerges from across the border,' union home minister rajnath singh told reporters in reply to a question about frequent incursions by china. singh, who was surrounded by journalists as he emerged out of a meeting with chief minister harish rawat, said since uttarakhand shared its borders with nepal and china, he also explored with the cm methods to stop the spread of maoism in this otherwise peaceful state. replying to another question, the home minister said the kashmir issue would be resolved 'constitutionally and also humanly'. the home minister, who reviewed the steps taken by the state government to deal with the aftermath of last year's natural calamity, said the centre would provide all possible help to address concerns of the state government and the people in general.'both the centre and the state government will work together to reconstruct and rehabilitate the state,' he said. singh is on a two-day visit to the state, his first after assuming office, to review the reconstruction efforts undertaken by the state government in the wake of last year's disaster.

aum shanti • 15142 • usa • 37 days ago
can india afford it???? gandhi is born in a golden spoon fed family he does not know the facts if he wants to do some good he should leave delhi and work for his pilibhit area

Ivan Bigger • 10537 • 37 days ago
increasing the insurance coverage is a good suggestion...but then, the quality of insurance should also be looked into...right now the policies offered by major insurers
insurance should also be looked into...right now the policies offered by major insurers are simply not good enough...

K F C  •  47927  •  Unknown  •  37 days ago
agree with varun on this point. health care should be one of the priorities of india.

Girdhar Joshi  •  2569  •  India  •  37 days ago
good to see some words of wisdom from gandhi varun. as a future leader of india, we must know his thoughts on many such subjects concerning india.

AGR india  •  21703  •  chennai  •  37 days ago
first basic reforms on state and central department is required. first improve the fundamental system. then only these kind of larger issues can be feasible to initiate. every one knows about this. ground level reality is not understood by people like you. you talk always big big things because you belong to big people.

Akash gupta  •  6213  •  Unknown  •  37 days ago
nice thoughts

Sushil Dubey  •  791  •  Bangalore  •  37 days ago
well said.

Author
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