Medicines for all’ plan gets PMO thumbs up
30,000cr For Free Drugs In Govt Hospitals
TIMES NEWS NETWORK

New Delhi: Free medicines to all patients visiting any government health facility across the country could soon be a reality with the health ministry ready to roll out a nearly Rs 30,000-crore “free medicines for all” scheme with strong backing from the Prime Minister’s Office (PMO).

The free medicine initiative, along with an expansion of the National Rural Health Mission to urban areas, a more district-oriented approach and implementation of recommendations of the K Srinath Reddy committee on universal health coverage will be an important focus of UPA-2’s health policy. The scheme is also expected to get strong backing from the Sonia Gandhi-chaired National Advisory Council (NAC) in a meeting on February 17.

At a meeting chaired by Pulok Chatterjee, principal secretary to PM, on Friday, the “medicine-for-all” scheme and other thrust areas got a thumbs up with Prime Minister Manmohan Singh keen to roll out health sector initiatives. The medicine proposal will help cut India’s tremendously high out-of-pocket expenditure on healthcare. Government wants to peg healthcare spending at 2.5% of GDP, or about Rs 2.5 lakh crore a year, in the 12th Plan.

Speaking to TOI, a ministry official said, “We are ready to roll out the scheme which will provide free generic medicines to all those who visit government healthcare facilities across the country. This will reduce out-of-pocket spend and also encourage more people to visit government health facilities. However, we can’t make the announcement now with the elections on as it would violate the Election Commission’s guidelines.”

Instead of increasing public spending on drug procurement when millions of Indian households have no access to medicines because of unaffordability, several large states have cut down funds meant to buy them.

Consider the case of Kerala. Even though the state spent the highest in India on drug procurement last year 12.5% of its health expenditure the expense was significantly less as compared to 17% in 2001. Tamil Nadu followed a similar methodology from 15.3% (2001) to 12.2% (2010). The committee said low public spending on drugs and non-availability of free medicines in government healthcare centres were major factors discouraging people from accessing public sector health facilities.

“We estimate that an increase in the public procurement of medicines from around 0.1% to 0.5% of GDP will ensure universal access to essential drugs, greatly reduce the burden on private out-of-pocket expenditures and increase the financial protection for households,” a report has said. In the past decade and a half, drug prices in India have shot up phenomenally, registering an increase of nearly 40%.