Universal Health Coverage plan stuck, PMO likely to step in

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New Delhi : The extent to which the private sector can be involved in the Universal Health Coverage (UHC) and its incorporation into the National Rural Health Mission (NRHM) framework have emerged as major sticking points between the Health Ministry, High Level Expert Group (HLEG) that authored the UHC report, and Planning Commission’s steering group on health for the 12th plan. The Prime Minister’s Office will hold meetings later this month to evolve a consensus on these issues.

The HLEG has said that the mainstay of health services under the UHC should be the public sector with the private sector being contracted to only “fill in gaps”. The ministry’s stand is that instead of creating a separate structure — which Planning Commission officials envisage as similar to the Rashtriya Krishi Vikas Yojana (RKVY), to be called the Rashtriya Swasthya Vikas Yojana (RSVY) — to implement UHC, that money should be pumped into the NRHM to strengthen it, which effectively means that the services should be rendered solely by the public sector. The total money at stake is Rs 3-3.5 lakh crore for the next five years.

Interestingly, the HLEG report had talked about involving the private sector, but what has caused outrage among some of its members is the steering group’s position that disbursement of funds under the UHC should be on a capitation fee model and competitive with both the public and private sectors being eligible.

“The idea is that hospitals get paid per capita on the basis of the number of people they service for a given package. It is the consumer’s choice whether they go to a government or private hospital. This will force government institutions to ensure quality,” explains a source.

Capitation fee, say sources in the commission, is the preferred model of UHC for OPD (primary care) in Thailand, New Zealand, Germany and the US.

HLEG’s opposition to the plan is on two counts. “The regulatory framework is too weak for such a system where the government and private sectors compete. Also, private sector penetration is limited to urban areas. If private sector is to be involved to a large extent it can be like the Kaiser Permanente model in California where the entire primary care has been outsourced against payment of a premium. The company monitors all health aspects and also pays for subsequent treatment. We are not ready for private and public sector to compete for the same kitty,” says an HLEG member.

The commission is backing the stand of the steering committee. Member Dr Syeda Hameed says: “The commission is of the opinion that the private sector has to be involved. Public private partnership is a stated policy of the UPA government and I do not think anybody, including the HLEG, feels involving the private sector is inimical.” On the differences over inclusion of UHC in NRHM framework, she said: “There is no difference on the UHC principle or on the fact that we need to generate more trained manpower willing to go and work in the districts. We accept the need to incentivise state spending in NRHM for which we want a body called RSVY. Some people are against another structure and want this to be done within the NRHM framework.”

The ministry’s stand on the “within or outside NRHM” debate is that with report after report talking about doing away with a bouquet of verticals to make NRHM an umbrella scheme, it’s counterproductive to make UHC implementation the prerogative of a separate body.
Planning Commission sources say integration into NRHM would amount to making the mission director the competent authority to judge the functioning of the very setup over which she or he presides.