

Lessons from COVID-19: Strengthening the public health system in India or accelerating privatisation?

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When Manisha's husband passed away in a private hospital from Maharashtra state in October 2020 she was given a handwritten bill of Rs 14 lakh (18,892 USD). The hospital withheld his body for ten hours till the dues were settled. Sandeep Dhande was given a bill of 1.5 lakh (2,040 USD) on a piece of paper. They have still not received medical records and death certificate. Dada Jadhav, a waste picker from Pune, had to pay a bill of Rs 1.13 lakh (1543 USD) and incur a heavy debt as despite being eligible, his application for state health insurance scheme was not approved"

These are just a few representative voices of a large number of such traumatic experiences of patients from private hospitals in India during the COVID-19 pandemic.

Numerous reports of excessive charges, unnecessary treatment, and exploitation of patients have appeared during this pandemic, resulting in widespread human suffering and inequities in healthcare. In India, this pandemic has brutally exposed the deep-rooted problems of commercialised and corporatized private healthcare sector. Amid this, NITI Aayog (National Institution for Transforming India; a public policy think tank of the government of India) has released a report (March 2021) on 'Investment Opportunities in India's Healthcare Sector'. Dispelling the grim reality about private sector, this report accentuates that the pandemic presents an investment opportunity for private sector in India. The report may have varied interpretations. However, from a health systems perspective, it has many flaws and noxious recommendations.

NITI Aayog report overlooks the need for regulation of private hospitals

In the wake of widespread fleecing of patients by several private hospitals, around fifteen Indian states directed private hospitals for reserving and regulating rates of 20%-80% of beds for COVID-19 treatment. Despite this, many private hospitals continued to indulge in overcharging and profiteering which cautions us to how profit motives of private hospitals trump social obligations even in times of crisis. This indicates the limitation of such impromptu and enforced regulation during the pandemic and also underscores the need for robust, institutionalized frameworks for regulation and social accountability of the private healthcare sector. However, while the NITI Aayog report strongly endorses privatisation, it doesn't take a note of the perils of private sector and does not utter a word about its regulation.

Increasing the health system capacity by expanding the private sector

When the COVID-19 pandemic is being widely regarded as a turning point for strengthening the public health system, NITI Aayog prefers to focus on arenas for investment in healthcare industry including hospitals. The report notes the country's miserably low bed density and dire doctor shortage but proposes the expansion of private players in Tier 2 and 3 locations to address these shortages. Secondly, the declining trend of

National Health Mission budgets from 56% in 2018-19 to 49% in 2020-21 signals further weakening of the public health system, which is consistent with Aayog's proposal in 2020 of handing over district hospitals to profit-seeking private medical colleges using the Viability Gap Funding scheme.

Emphasis on AI technology, robotic and home-based care

The NITI Aayog report further shows concern about the provision of Artificial Intelligence (AI) technology, robotics, and home-based care and endorses it as a key emerging segment of investment opportunity. Probably the report presents financially compelling arguments for all of these, but given the high cost of robotic or even home-based care, these services appear relevant only to a segment of urban elites. The report proposes AI doctors as a long-term solution given the shortage of qualified doctors in rural and remote areas. Instead of recommending to improve employment policies, NITI Aayog builds a case for promoting the use of AI. In the current sorry state of India's healthcare system, these recommendations appear misplaced for majority of the population.

Publicly funded health insurance (PFHI) – the sole solution for poor people?

Often ignoring lessons from the past, a major expansion of PFHI schemes with private sector engagement continues. Under *Pradhan Mantri Jan Arogya Yojana* (PMJAY), as per National Sample Survey 75th data (2017-18) only 7% of patients either received free care or their entire bill was reimbursed. During COVID-19 too, performance of PMJAY was disappointing. However, the report does not seem to acknowledge this but regards PMJAY as the sole solution for ensuring health services for poor people. The report also gives the sense of leveraging PMJAY to make a freeway for promoting investments in private healthcare sector.

In essence, current policy in India seems to promote private sector, private investments and health insurance while rejecting the need for public sector strengthening and ignoring the flaws of private-for-profit healthcare. This policy direction will not only widen inequities in access to healthcare but will also impede the progress towards UHC. The pandemic has been an eye-opener to the importance of public health systems and highlights the major challenges within private healthcare sectors. Keeping this in mind, a policy push for building back the public health system and ensuring regulated and socially accountable engagement of the private sector is essential for ensuring equitable, affordable and quality healthcare for all.

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