# Law to keep check on private hospitals

January 5, 2021

The dearth of public health facilities during COVID and the exorbitant prices charged by private hospitals have revealed the necessity of strengthening public health infrastructure so that they can equip themselves appropriately to handle such pandemics in the future. The pandemic has also thrown light on the requirement of government keeping checks and controls over the private hospitals.

In news: House panel moots law to keep a check on private
hospitals.
Placing it in syllabus: Governance
Dimensions

- 1. In news
- 2. Recommendations of the Parliamentary Committee
- 3. Importance of the recommendations
- 4. Problems of the private health sector

# **Content:**

#### In news:

Parliamentary Committee on Home Affairs on the management of the Covid-19 pandemic in the country recently submitted its report to Rajya Sabha. The committee is headed by Rajya Sabha MP Anand Sharma.

The Committee has made a detailed **assessment of four aspects**:

- Country's preparedness
- Augmentation of health infrastructure
- Social impact

• Economic impact

## **Recommendations of the Parliamentary Committee:**

**On preparedness:** 

- It proposes to draw up a national plan and guidelines under NDMA, 2005 and Epidemic Diseases Act, 1897.
- A separate wing may be formed in the NDMA that will specialise in handling pandemics like COVID-19 in future. This wing may take a leading role in building a partnership of government with the public sector, corporates, NGOs and other stakeholders.

#### <u>On Health infrastructure:</u>

- A need for a comprehensive Public Health Act preferably at the national level with suitable legal provisions to support the Government in keeping checks and controls over the private hospitals.
- This recommendation is based on the reports about the selling of hospital beds by private hospitals during the pandemic.
- The Act should keep a check on the black marketing of medicines and ensure product standardization.
- The government should be proactive by holding awareness campaigns on cheaper and effective repurposed medicines to prevent people from panicking and spending huge amounts of money on expensive drugs.
- The target should be to make Covid-19 treatment cashless for all people that are having insurance coverage.
- Good quality and affordable medicines should be provided to everyone, especially at a cheaper or subsidised rate to the marginalised sections of the society at the time of pandemics like COVID-19.
- Measures should be taken to avoid social stigma and fear of isolation and quarantine, by making people aware and treating them with respect and empathy.

#### <u>On Social impact due to lockdown & pandemic:</u>

- Consumption had been severely curtailed due to huge job loss and fall in income due to the lockdown and the GDP had a contraction of 23.9% in the first quarter of 2020-21.
- More interventions and schemes are required to support the recovery and to sustain economic revival especially for the MSME (Micro, Small and Medium Enterprises) sector.
- As the schools were shut down many children were deprived of mid-day meals. It recommended that the Ministry of Home Affairs along with the Department of Food and Public Distribution may take up the matter with the State Governments to ensure that the local administrations are delivering the rations/ allowances in time and this should be continued until the schools reopen.
- As migrant workers returned to their home states, the task of identifying the location and disbursing relief measures to the migrant workers became very difficult due to lack of data on migrant workers with the Central Government.
- In this regard the committee strongly recommended that a national database on migrant workers be launched at the earliest.
- It recommended that until the One Nation, One Ration Card is implemented in all states/UTs, inter-state operability of ration cards should be allowed.

#### Importance of the recommendations:

- Helps in assuring proper availability of ICU beds in private and public sector hospitals at the time of pandemics.
- Private hospitals can be made accessible and affordable to everyone.
- Promotes transparency and accountability in the health

care system.

- Helps to promote fair practices in insurance claiming.
- Makes the medicines affordable by the common man.
- The nation wide migrants database may include records of returning migrant labourers including details about their source and destination, earlier employment details and the nature of their skills. This would help in skill development and planning for the transit of migrant workers in a similar emergency in the future.

### <u>Problems of the private health sector:</u>

According to the financial results for the first quarter (April to June) of 2020-21, during the "COVID quarter", many listed private hospitals have taken a hit compared to the corresponding quarter in 2019-20. E.g. Fortis Healthcare's bed occupancy rate in pre-COVID times was 65-70% but had slumped to 51%.

- During the COVID-19 lockdown people postponed their elective surgeries.
- It also dried up the usually steady inflow of people with chronic illnesses that need regular in-facility interventions such as dialysis, chemotherapy, blood transfusions, etc...
- Due to the shutdown of international flights, foreign patients also stopped visiting India for surgeries and medical tourism declined.
- The additional need to sanitise the premises and give protective gear to healthcare staff added a new element to their costs.
- The staff had to be regularly quarantined, making the workforce sparse.
- Some hospitals had to give monetary bonuses to staff to encourage them to come to work despite the risk.
- The government's decision to clamp down on prices and force hospitals to reserve beds for COVID-19 also hurt their bottomline.

 Private hospitals don't get any financial help unlike public hospitals and must generate their own revenues and profits. (India's central government budget estimate for the health ministry is Rs 67,111 crore. This is apart from state government budgets for healthcare. Many state governments also have health insurance schemes, which also reimburse the private sector for treatment of those who cannot afford it).

But according to NGOs, private hospitals charged high because they looked for business during COVID crisis. Everything was charged from an individual patient.e.g. each patient was billed separately for PPEs during the pandemic. Private hospitals' complaints about quarantining their staff when even public hospitals have had to do the same with their staff is questionable.

#### Mould your thought:

 The Parliamentary Committee recommendations on the management of the Covid-19 pandemic help in strengthening the public health care system. Critically analyze.

#### Approach to the answer:

- Explain the recommendations in detail.
- Write the importance of such recommendations
- Write the criticisms by taking problems of private hospital into consideration
- Give a balanced conclusion