

Better healthcare in India: a race against time

Volume 2 Issue 6 - 2016

Ram Kumar Mishra

Tata Consultancy Services, Mumbai, India

Correspondence: Ram Kumar Mishra, Market Access & HEOR group, Tata Consultancy Services (TCS), Plant No.12 Godrej & Boyce Complex, LBS Marg, Vikhroli (West), Mumbai, Maharashtra, India-400079, Tel 7770026095, Email Mishra.ram@tcs.com

Received: July 27, 2016 | **Published:** August 11, 2016

Keywords: India; healthcare, insurance, policy, resources, *Rashtriya swasthya bima Yojana, Aam aadmi bima Yojana, Janashree bima Yojana, Pradhan mantri suraksha bima yojana*

Short communication

Indian healthcare system is currently undergoing a transformative journey. Healthcare is one of the fastest growing industries in India. Because of its strengthening coverage, government introduced structural reforms, services and increasing expenditure by public as well private players, projected healthcare industry size would reach \$160 billion by 2017 and is expected to grow further up to a value of \$280 billion by 2020.¹ Increasing income, health consciousness, prevalent lifestyle diseases and affordable insurance access are some of the key parameters which are driving the growth of healthcare sector.

Increased awareness has also increased the expectations of healthcare delivery in India, as people are constantly demanding better standards in terms of latest treatment, choices and affordable care. In India, patient's out of pocket spending accounts for >80% of total healthcare expenditure. Factors like increasing population, increased life-expectancy, declined infant mortality, disposable income and government's emphasis on eradicating diseases are resulting in increased willingness to pay have elicited a growth in out of pocket spending.²

Out of pocket spending is one of the major challenges for Indian population. Ever increasing healthcare costs act as roadblock to better healthcare access. It is indeed a problem for people living in middle and lower economic strata as often they end up selling assets, or taking loans; thus eventually finding themselves into debt-traps on account of paying for hospital expenditure. Healthcare in India is mostly offered by private organizations. Additionally, India's healthcare budget is also less than 5% of total gross domestic product, which itself is considered low for a populous country like India.

One possible solution to tackle these problems is to identify the utility of healthcare interventions in India. The health technology assessments (HTAs) have been identified by many developed countries as an important means to assess the economic value of healthcare interventions. HTA generally comprises of technology evaluations using reputed evaluative techniques of systematic literature reviews, meta-analysis, clinical trials, epidemiology and economic evaluations including the application of incremental cost effectiveness ratios.^{3,4} Primarily, HTA is used to distribute healthcare expenses in fair and efficient ways. India could reap the benefits of HTA regardless of absence of central reimbursement process and lack of economic evaluation guidelines. There are various avenues where HTA can be useful, e.g. it can help the policymakers in drug pricing, to formulate and implement clinical safety guidelines and also it can help to create an effective reimbursement system. Also, there is a need to conduct frequent pharmaco-economic evaluations in India, both in academic and research institutes. Additionally, increased awareness about the field in terms of trainings and workshops to life science

students would definitely create awareness and will create a pool of skilled researchers.

A better way to minimize out of pocket spending is to enable additional funding or co-payment options. Already a part of Indian population is availing the benefit of government backed schemes like *Rashtriya swasthya bima yojana*, Employment state insurance scheme, Central government health scheme, *Aam aadmi bima yojana*, *Janashree bima yojana* and Universal health insurance scheme. Not only government sector, but private sector employers are also offering healthcare coverage to their employees, and this trend is continuously increasing. The out of pocket funding, when covered either by insurance policies or by employer coverage, really helps the patient to manage their finances. Not only patients, the private insurance coverage had also indirectly relieved the burden of public payers up to certain extent.

In recent time, Indian population witnessed a range of health promotional schemes and events insisting them to take up a healthy and active lifestyle. The United Nations General Assembly recently adopted an India-led resolution of celebrating "International Yoga Day" annually on June 21.⁵ Introduction of government-backed popular insurance schemes like *Pradhan mantri suraksha bima yojana* for accidental death insurance and *Pradhan mantri jeevan jyoti bima yojana* for life insurance by paying a nominal premium of Rs. 1(\$0.015) and Rs. 30(\$ 0.015) per month respectively; were able to bring a sense of health security among the poor. Not only government, but private sector is also encouraging their employees to take up healthy lifestyle by offering subsidized preventive health checkup, yoga, aerobics, exercise sessions and marathons. Preventive health checkup can help people diagnose disease at early stage. Thus they not only enable the employee to take preventive measures, it also helps the employer organization to reduce possible indirect cost which might result from employee's loss of productivity or during hospitalization in future when the problem aggravates. Overall, increased health awareness and adopting a healthy and active lifestyle is always beneficial to the population. Though increased health awareness may not seem beneficial initially, but its long term benefits cannot be ignored.

Though small in number, HTA research and review in India are limited to some medical colleges and private organizations, and their impact on HTA produced on health policy outcomes is also limited. In 2007, the National Health Systems Resource Centre (NHSRC) was established to assist in policy development and management.⁶ The goal of NHSRC is not only to improve health outcomes by facilitating governance reform, but also to promote health systems innovations and improved information sharing among all stake holders. Moreover, India is slowly moving towards A recent announcement of establishing a Medical Technology Assessment Board (MTAB) by India's Department of Health Research, will further strengthen standards for health policies and healthcare delivery providers. The MTAB will seek guidance and recommendations of UK's National Institute for Health and Care Excellence (NICE) to create standards for medicines, vaccines, devices and insurance.⁷

To conclude, it is evident that despite of a massive health care system, India still is waiting for a robust healthcare policy to provide better and affordable healthcare for its citizen. Lack of proper HTA platform combined with limited outreach of government hospitals and increasing healthcare costs are some major reasons towards increased out of pocket spending. Government is trying to offer some relief to those belonging to middle and lower economic strata, by introducing government backed popular insurance schemes. Additionally, the growing acceptance of private insurance also is a good head start towards affordable healthcare.⁸

In India where more than 50% of its population is below the age of 25, a shift from traditional healthcare provider model to outcomes focused healthcare model can result in improved healthcare delivery for patients, while simultaneously allowing better utilization of available healthcare resources. Since implementation of improved policy in a huge nation like India will definitely take time; with strong socio-political will, India can win this race against time.

Disclaimer

The opinions expressed in this article are those of the author, and they do not reflect in any way those of the organization to which he is affiliated.

Acknowledgments

None.

Conflicts of interest

The authors declare there is no conflict of interests.

Funding

None.

References

1. India's healthcare sector poised to grow to \$280 bn: Report (2015) The Economic Times, India.
2. Nair SR. Relevance of health economics to the indian healthcare system: a perspective. *Perspect Clin Res.* 2015;6(4):225–226.
3. Maynard A, McDaid D. Evaluating health interventions:exploiting the potential. *Health Policy.* 2003;63(2):215–226.
4. Dang A, Likhari N, Alok U. Importance of Economic Evaluation in Health Care:An Indian Perspective. *Value in Health Regional Issues.* 2016;6(9):78–83.
5. Mane AB. International yoga day:Positive step toward global health. *Int J Yoga.* 2015;8(2):163.
6. <http://nhsrindia.org/>
7. Rhythma K. India to establish Medical Technology Assessment Board. *Hindustan Times.* 2016.
8. Vyas MM. A Study of Recent Trends in Insurance Industry. *Indian Journal of Applied Research.* 2016;5(9):348–350.