Ministry opposes plan to overhaul healthcare

The ministry has asked Planning Commission to rewrite its chapter on health in the 12th 5-year Plan document

Vidya Krishnan

The health ministry has opposed the Planning Commission's proposal for a radical overhaul of the public healthcare system, saying it deviates from the government's primary goal of providing health coverage to all.

The ministry has asked the apex planning body to rewrite its chapter on health in the 12th five-year Plan document that covers FY12-17, a top ministry official said, asking not to be identified.

Several of the commission’s suggestions contradict recommendations of the high level expert group (HLEG) on universal health coverage, or UHC, set up by Prime Minister Manmohan Singh in October 2010 with the mandate of developing a framework on affordable healthcare for Indians, this official said. The bone of contention is the Planning Commission’s proposal to switch to a “managed healthcare network” model in which public and private hospitals may have to compete with each other for patients.

Also, under the plan, the government’s primary healthcare function will be limited to essential interventions such as immunization, antenatal care and disease-control programmes, leaving clinical services to the managed-care model. The government’s role will in effect diminish from providing health services to managing the network.

Under the managed-care model, while networks of largely private hospitals will be paid per patient registered, doctors will be paid per prescription, according to the Plan document. The transition to this model is proposed to happen over two Plan periods (2012-17 and 2017-22).

“We have to learn from the Chinese experience where reform led to creating of public doctors with a private mindset. China is now revising its health policy because of growing inequity,” said Dr. Srinath Reddy, who headed the HLEG.

“We have to ensure the public sector remains committed to providing quality healthcare without chasing money in any and every manner. We need to develop a model of UHC wherein the private sector will assist the public sector in serving a public purpose rather than privatising the delivery of public sector healthcare,” he added.

HLEG members will meet on Thursday to discuss the health plan and will give their feedback to Montek Singh
Ahluwalia, deputy chairman of the Planning Commission.

The health ministry will within 10 days send its feedback strongly advising the Planning Commission to rewrite certain aspects of the health chapter, said health secretary P.K. Pradhan, who was also a member of the HLEG that drafted the report on providing UHC in India.

“Our main objective is to strengthen the public health sector. At this juncture, we are convinced that a network-based approach will be very difficult to achieve that objective,” he said.

“Having read both documents, I know that some of the strategies made in the plan document are far removed from the basic tenets proposed by HLEG,” said Abhay Shukla, public health activist with Jan Swasthya Abhiyan, a non-governmental organization.

“The Plan document gives two scenarios of India’s public health reforms. Either the public health system should start behaving like the private sector, with performance-based remuneration, etc., or it should compete with the private sector and reshape itself in the image of the private sector to compete effectively,” Shukla said. “In both cases, privatization and corporatization of healthcare in India appear as the dominant direction. They (Planning Commission) are using HLEG’s name to push these recommendations.”

The Plan document also proposes a significant expansion of publicly funded insurance schemes such as the Rashtriya Swasthya Bima Yojana to provide universal health coverage whereas the HLEG had recommended strengthening public sector hospitals instead of using the insurance route to provide health services.