Regulating hospitals is healthy

The proposed enhancement of public health expenditure in India as a percentage of GDP during the Twelfth Plan will deploy massive tax funds in a sector that is poorly regulated. If the government accepts the recommendation of the High Level Expert Group of the Planning Commission on Universal Health Coverage to increase government expenditure on health to 2.5 per cent of GDP from 1.2 per cent today, there will be an estimated five-fold increase in per capita public spending. It is inevitable that private health infrastructure is tapped to provide UHC, at least in the short term, while the government-run system is improved qualitatively and quantitatively. Such a massive increase in public spending requires a review of regulation of the entire sector, covering all categories of hospitals and clinical establishments. The Clinical Establishment Act, 2010 makes a beginning in this regard but it has a long way to go as it requires ratification by States to be applicable, except in Arunachal Pradesh, Himachal Pradesh, Mizoram, Sikkim and Union Territories which are already covered. It is essential that State governments move quickly to ratify the Central Act, considering that they are committing huge public funds for health insurance schemes to purchase care from private hospitals.

Benchmarking care is a standard requirement for hospitals and clinical facilities in the developed world. India’s efforts in this regard remain fragmented, with the National Accreditation Board for Hospitals and Healthcare Providers, the Indian Public Health Standards, and the Clinical Establishment Act attempting to define standards. What the country needs is one integrated standards and regulatory system, requiring compulsory registration and regulation. The decision of the NABH to make surprise visits to hospitals to verify uniform adherence to its standards is certainly welcome, but incremental approaches will not do. A single empowered national standards body is needed, and the Planning Commission group has a worthwhile recommendation on forming a national regulatory body, State units and subsidiary agencies to evolve protocols, accreditation and evaluation norms. Somewhat disappointingly, a section of medical professionals has opposed such measures on the ground that it would unleash an inspector raj. Such a prospect can be avoided by building a transparent system that mandates pro-active disclosure for all stakeholders. As things stand, the medical community does have a genuine demand for clear rules under the Act. Achieving high standards in healthcare and empowerment of patients is not possible without standard-setting and strong regulation. Laissez faire cannot deliver.

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