

Health Inc.

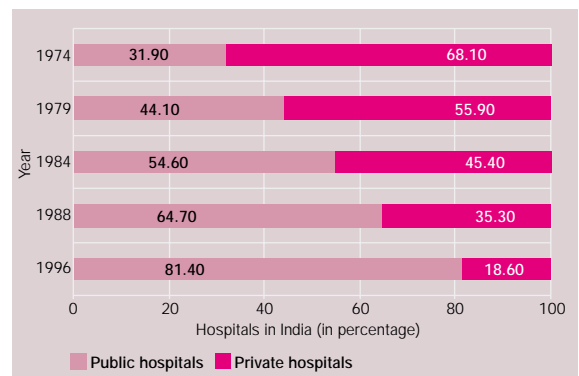
Private health sector needs to be guided so that it contributes to national health goals

▶ A look at the Indian healthcare sector shows that India lives **simultaneously** in several centuries, with **corporate hospitals** and super-speciality consultants at one end of the spectrum, and illiterate, **unqualified practitioners** at the other end

▶ The general assumption is that the private health sector refers to the for-profit, qualified provider. However, it also includes non-governmental organisations (NGOs), trusts and charitable and religious endowments. Over a period of time, the **share of private** healthcare sector has **increased**

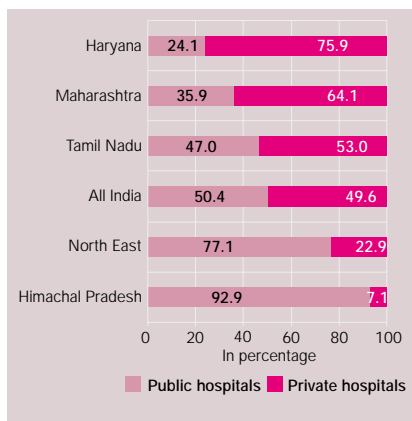
Share in the pie

Growth of private sector hospitals in India



Sharp variations

In distribution of inpatients



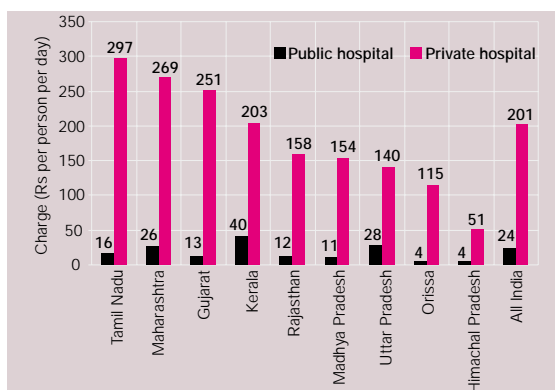
▶ Private sector has a **propensity** to set up facilities in the **more advanced states**. For instance, Kerala has 95 per cent of its hospitals in the private sector as compared with Himachal Pradesh's 12 per cent

▶ About **one million** unqualified practitioners manage 50-70 per cent of primary consultations for minor illnesses, and comprise the **de facto** primary curative **healthcare system** of rural India

▶ But the **data** on the share of private sector in total healthcare **infrastructure** is both **inadequate** as well as **unreliable**. Both the government and the research institutions need to pay urgent attention towards this issue, which has long been ignored

Paying a price for health

Average hospital charge per inpatient per day



▶ States like Orissa are handing over management of primary health centres in remote areas to NGOs

▶ Studies indicate that 7-9 per cent of annual **household consumption expenditure** is spent on healthcare needs, about 85 per cent of which goes to the **private sector**

▶ The challenge is to evolve effective, and constructive collaboration between the public and private sector, which could help India achieve its 'health for all' goal

Source: Rajiv Misra et al 2003, India Health Report, Oxford University Press, New Delhi.