

## Financial Express

### Moving ahead on healthcare

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The state of Uttar Pradesh will be the first to have opened its public healthcare service infrastructure at the district level to the private sector. Reports say that Apollo Hospitals, Fortis Health-

care, Max Healthcare and Rockland have been shortlisted by the state government for management, upgrade, operation and maintenance of public health service facilities. This would be for four district hospitals, eight community health centres, 23 primary health centres and 210 sub-centres.

The Indian healthcare sector is expected to grow to \$82.5 billion by this calendar year, accounting for 4.5% of the GDP. However, the country is way behind some other developing nations in terms of

key healthcare indicators. For instance, India's disease burden is 37% higher than that of Brazil's and 86% higher than China's. But Indians continue to distrust government facilities, as they feel these are not up to the mark in quality and care. One statistic says 68% of Indians do not use public facilities for this reason, while 47% are denied access to them, since they are located far away from where they live. The move to privatise such facilities will help improve their credibility in a big way but it will still not

completely solve the issue of access to such facilities.

There could also be an argument that private treatment can be costlier than public. It has been challenging for many private healthcare firms to keep diagnosis and treatment at a level affordable to the common man and this is where the issue of health insurance comes in. It is estimated that as much as 70% of India's healthcare expenditure is taken out of pocket.

Privatisation of healthcare facilities is one thing but it is also

important to ensure the patient's ability to pay for quality service. Schemes targeted at the poor and weaker sections, like the Rajiv Aarogyasri Health Insurance Scheme in Andhra Pradesh or the Chiranjeevi Project in Gujarat are welcome. Equally important is the need for insurance firms to create awareness and develop innovative schemes aimed at the rural masses, so that they can afford to pay for quality health service.

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