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Section 001

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bPrivatized Healthcare in India

Prior to 40 years ago, healthcare in India was mainly focused in the public sector. With the introduction of private healthcare providers through government subsidies, the accessibility of quality healthcare has become scarce. The introduction of privatized healthcare in India has influenced a larger emphasis on economic profit than affordable healthcare, a decrease in public expenditure on healthcare, and a lack of success in achieving the sustainable development goals set forth by the United Nations.

Until around 1980, the private sector of healthcare in India consisted of smaller hospitals and practices with solo practitioners typically run by religious or charitable foundations. At this time, the public sector of healthcare consisted of over 90% of total patient care in India. With the introduction of numerous government healthcare subsidies aimed to expand privatized healthcare, the private sector of healthcare was able to dominate the market “When India became independent of British rule in 1947 the private health sector provided only 5-10% of total patient care. Today it accounts for 82% of outpatient visits, 58% of inpatient expenditure, and 40% of births in institutions” (Sengupta and Nundy 2005). As medical practices in India have made increasing amounts of technological advancements, the emphasis on economic profit from healthcare has discouraged the government expenditure on public healthcare. Wealthy individuals, large corporations and non-resident Indians have taken over the private sector of healthcare, allowing for economic profit to be the main concern behind healthcare systems in India. These privatized hospitals are known for being unregulated, having no standardization of quality, and being generally infeasible to many lower or middle income Indian residents. Many

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smaller public healthcare facilities have been forced to reduce their services or even shut down due to increasing competition with private healthcare facilities. It was reported in 2016, that private hospitals in India typically charge four times more for services compared to public hospitals funded by the government and “the survey said when it came to 'out of pocket' expenditures for childbirth, the cost in public sector is about one-tenth of that in the private sector” (Mumbai News 2016). With these limited resources and increasing disparities between private vs. public healthcare funding, the Indian government needs to prioritize increasing public expenditure of healthcare. The privatization of healthcare in India is directly linked with one of the social determinants of health related to healthcare access and quality. With the access to quality healthcare in India being limited to residents of wealthy backgrounds, disparities between the rich and the poor Indian residents in regards to health outcomes are rapidly increasing.

In 2015, the United Nations set forth Sustainable Development Goals to achieve by 2030. One of these goals set forth by the UN focused on good health and well-being. One of the targets of SDG 3 was to achieve universal health coverage and access to quality essential healthcare services. Although the Indian government adopted the National Health Policy in 2017, along with committing to successfully achieving the targets of the SDG 3, a clear lack of funding and integration between social sectors of healthcare inhibits the achievement of these goals. With the privatization of healthcare in India, the government funding of healthcare has been allocated for other means and left the healthcare systems unable to support good health and well-being for all the residents in India “Socio-cultural barriers of Health & sickness Behavior of the Population, inadequate investment by national and provincial governments...has led to poor active

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participation of communities in preventive and Promotive health care add to the challenges” (Kishanrao 2019). Another Sustainable Development Goal that was set forth by the UN was SDG 10, reducing inequalities. This goal focused on ensuring equitable access to healthcare services through universal health coverage based on a commitment to stronger primary care. With a healthcare system primarily focused on economic profit, India’s ability to achieve this goal by 2030 seems unlikely. But, some national health organizations have made strides in their commitment to furthering the achievement of reducing inequalities in healthcare “India moved a step closer towards our commitment to the SDGs, when in 2018 the country launched a national health protection scheme...The mission, through its Pradhan Mantri Jan Arogya Yojana (PMJAY) initiative, established 150,000 health and wellness centres (HWCs) and provides health insurance coverage to 40% of the country’s population” (Kamineni 2019). While the Indian government has attempted to promote good health and reduce inequalities in healthcare, the efforts have been lacking significant changes in health care systems, policies and patient outcomes.

The introduction of privatized healthcare in India has influenced a larger emphasis on economic profit than affordable healthcare, a decrease in public expenditure on healthcare, and a lack of success achieving the sustainable development goals set forth by the United Nations. The focus of economic profit in regards to healthcare became emphasised when the private sector of healthcare became larger than the public sector of healthcare in India. This switch of funding within healthcare systems directly allowed for a decrease in government spending on public healthcare affordability. The Sustainable Development Goals that India committed to directly address these concerns of universal healthcare access and affordability, yet India’s government

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has failed to recognize their shortcomings in reducing these inequalities in their healthcare systems.

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