

Sector Brief – June 2015

Current Trend:

The Govt in its budget 2015-16 has adopted a two-pronged strategy for the healthcare sector by way of proposing substantial budgetary allocations for the sector and promoting healthcare initiatives at the taxpayers' end through enhanced deductions for medical/healthcare related spends. Large budgetary allocation to the tune of Rs 331.52 billion for healthcare sector is a welcome decision and would aid in capacity creation for healthcare infrastructure. However, India spends about 1% of GDP on public health, compared with 3% in China and 8.3% in USA. An inadequate no of doctors, and a poor network of public hospitals coupled with bureaucratic red tapism imply that there should be some serious revival strategy for Indian healthcare. The share of healthcare spend should at least rise to 2% of GDP to provide the basic healthcare facilities to all.

Future Trend:

As per analysts, consumer-driven healthcare is the future, at least in India. In a consumer-driven economy, Indian consumers will take the centre stage, deciding over the methods of healthcare services. In that scenario, certainly patients' satisfaction will play a key parameter of success.

Indian healthcare scenario is also going to witness a sea-change in the years to come in regards of health insurance. The Prime Minister's Life & Accidental insurance scheme of Rs 2 lakh each at just Rs 330 and Rs 12 premium per annum respectively is going to protect majority of Indian population still uncovered.

Sectoral Updates:

India assumed and successfully concluded Presidency of 68th World Health Assembly

After a gap of 19 years, India assumed the presidency of the World Health Assembly, the most powerful decision making body of World Health Organisation, which took place in Geneva from 18-26 May 2015. The major outcome of the Assembly is the adoption of a Global Action Plan on Anti-Microbial Resistance (AMR). Other significant outcomes of the Assembly include bringing adverse health impacts of air pollution to the main agenda of the World Health Organization and extension of the implementation timeframe of the Global Strategy and Plan of Action on Public Health Innovation and Intellectual Property (GSPOA). Another Action Plan was sorted and approved a 8% increase in WHO's programme budget for 2016-17.

Health Minister launches "Kayakalp"-an initiative for Award to Public Health Facilities

The Union Minister for Health and Family Welfare Shri J.P. Nanda launched "Kayakalp"- an initiative for awards to public health facilities. The Health Minister also released the Swachhta Guidelines for Public Health Facilities. The initiative will encourage every public health facility in the country to work towards standards of excellence to help the facilities stay clean and hygienic.

MOU between India and Mongolia on cooperation in Traditional Medicine

An MOU was signed between India and Mongolia on cooperation in traditional medicine including Homeopathy. India is blessed with traditional medicine while traditional medicinal practices are part of Mongolian medical system. Hence these two countries will complement each other and the MOU is expected to be hugely beneficial mutually for both the countries.

Implementation of Rashtriya Arogya Nidhi (RAN)

The Rashtriya Arogya Nidhi is under implementation across the country. It has been set up to provide financial assistance to patients who are living below poverty line and who are suffering from life threatening diseases in any super specialty hospitals or other Govt hospitals.