

FICCI welcomes Govt. efforts in reduction of Healthcare Costs; Says hospital categorization should be based on NABH Accreditation and not cost of care

Effective implementation of STGs crucial for transparency & reduction of cost of care

NEW DELHI, October 8, 2012: FICCI welcomes the intent of the Director General of Health Services (DGHS), Ministry of Health and Family Welfare, Government of India, to facilitate transparency in private sector hospitals with a view to standardizing quality of treatment by reducing unnecessary investigations and hence curb the cost burden on the common man. It is aimed to notify standard cost of various medical procedures and categorize hospitals based on quality of services and develop treatment cost for each Specialty. However, it would be incorrect to single out only private healthcare providers for unnecessary tests. Over and under diagnosis is an issue that exists in public hospitals as well.

According to **Ms Sangita Reddy, Chairman FICCI Health Services Committee**, “One needs to take a holistic look at the diverse healthcare landscape in India before we embark on this journey. Access, affordability and quality have been three major issues plaguing the Indian healthcare sector. The limited public expenditure of 1.1% of GDP has not been able to provide the required access and hence we see about 80% of healthcare providers in the private sector. About 60% of healthcare expenses are borne out of pocket due to low penetration of Health Insurance and we are at an early stage of quality adherence in health sector in the country.”

Dr Narottam Puri, Chairman and NABH, Advisor, FICCI, asserted that promoting quality should be a mandate and a start can be made by ensuring that all hospitals—private and public are accredited. “It’s a pity that some of the top hospitals of the cities, including both public and private, are not accredited. In view of NABH standards and NABH as an organization being accredited and recognized by the INTERNATIONAL SOCIETY OF QUALITY ACCREDITATION (ISQUA), all efforts by the government must be made to initiate a mass movement toward NABH accreditation as a quality improvement tool in the country to benefit the consumer. Categorisation of hospitals based on only cost of treatment should certainly not be the way forward. This will only create unnecessary confusion in the mind of the patient while seeking treatment in private sector hospitals.”

Dr Praneet Kumar, Member, NABH and FICCI Steering Committee on STGs added “it is certainly critical to ensure the minimum standard of treatment in all kinds of healthcare facility across the nation. The Ministry of Health and Family Welfare, Government of India has already initiated the process of development of evidence based minimum Standard Treatment Guidelines (STGs) coordinated by FICCI. The origin of the exercise lies with the private sector guided by the Insurance Regulatory Authority of India (IRDA) when it sought to bring in standardization of care with the broad objective of making healthcare affordable through increased penetration of health insurance.

There are several States such as Tamil Nadu, Rajasthan, Karnataka, UP and Chhattisgarh, which have also developed STGs for their own states. The need of the hour is to bring about convergence of all isolated initiatives and have a STGs for national coverage, categorized according to tertiary, secondary and primary care in the country. This should be a dynamic exercise with continual updation and available in the public domain for all to access. Cost of treatment can be worked out based on these STGs for the clinical aspect. However, it is a complex exercise and all stakeholders should be completely on board for successful implementation or else it would be a wasted exercise like the AFMC-WHO initiative which could not find favour with the private sector. Hence, implementation of STGs should be

carefully strategized by the Ministry of Health, Government of India taking on board all stakeholders including the States, private & public sector healthcare facilities, and teaching facilities.

1. NABH Accreditation: Today, in India the quality of a private or a public sector healthcare facility is judged by whether the hospitals and its Blood Bank is accredited by NABH and the Laboratories are NABL accredited. However, it needs to be borne in mind that the premier hospital accreditation body in the country, NABH, is just 6 years old. So far only 150 hospitals are accredited out of an estimated universe of 20000 hospitals and nursing homes in the country. It is well known fact that the capacity of large numbers of private as well as public healthcare facilities to meet the NABH standards is limited. A staging strategy to bring all types of healthcare facility under the NABH ambit is being worked on jointly by FICCI, NABH, World Bank along with key stakeholders from both government and private domain.
2. STGs: The Ministry of Health and Family Welfare, Government of India has already initiated the process of development of evidence based minimum Standard Treatment Guidelines (STGs) coordinated by FICCI. Clinical Experts from all categories of hospitals from pan India were brought together to develop the STGs for 20 specialties namely, General Surgery, Gastroenterology, Cardiovascular, Lab Medicine, Pediatrics, Endocrinology, Gynecology & Obstetrics, Organ Transplant, ENT, Interventional Radiology, Ophthalmology, Medicine-Non respiratory Infectious Diseases, Orthopedics, Medicine- Respiratory, Critical Care, Nephrology ,Neurology, Oncology, G I Surgery, and Urology. These STGs cover broadly 80-90% of disease processes that need hospitalization in each individual specialities. So far more than 250 STGs have been developed for tertiary and secondary care.

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